What's the Future For Canadian Aviation? (p. 15)

THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

LOOK FOR IT HERE

Banking	10	Leacock Series	1
Editorial	6	Market Comment	4
Enquiries	9	Mining	26
Farming	13	Oils	26
Gordon Series	27	Postscripts	6
Grain	13	Question of Wk.	14
Insurance	11	Quotations	12
Investing	4, 5, 9	U. S. Letter	3
Investors' Index	2	War Regulations	9

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The Nation's Business

Canada Must Watch Carefully on Canol

Senator Truman's protest to the U. S. Congress on the Canol project and the latest U. S. magazine article predicting fireworks over the Alaska highway both strike us as pretty childish stuff.

The magazine article claims a fight is brewing over the route chosen for and the usefulness of the Alaska highway.

Senator Truman charges that the Canol project was a mistake. He says little money would be saved by abandoning it now, but asks that it be completed only if new agreements are worked out with Canada and Imperial Oil, Ltd., giving to U. S. "adequate post-war rights" in the project.

How much of these embroglios should be attributed to U. S. party politics we don't know.

But this sudden sourness on the vast developments in our northwest will inevitably harm us in the eyes of many of our American neighbors. Some of them are sure to think Canada did a sharp piece of trading.

Canada and the Canadian people will have to watch carefully or we may find deals rewritten and ourselves loaded down with some large bills quite out of line with our national ability to pay and not of our own incurring.

Among reasons for the sourness on the northwestern projects are very certainly these:

The big war in the north Pacific did not develop as expected when the deal was made. The Japs were driven out of Kiska. Furthermore, what was not then sure but which has become so with increasing clarity every month since then, we are going to win the war in Europe.

Undoubtedly failure of crisis to occur in the north Pacific has reduced—so far—the urgency and importance of the northwestern projects.

Secondly, we strongly suspect that sourness has resulted from the realization in some U. S. quarters that they were victims of their own publicity on the present and future importance of the Alaska highway—as were many Canadians. The highway was indispensable to building the big chain of airports. It is and will be useful for servicing them with fuel and heavy supplies. But, from the U. S. point of view, it has, had and will have only a slight resemblance to the roaring artery of vast war supplies which the glamor boys of publicity have painted it.

CANADA HAD NOTHING TO DO WITH IT

One thing Canadians should get clear and which unfortunately will be clear only to a very few Americans—millions of whom will find here cause for mistrust of Canada—is this:

Canada had nothing whatever to do with the terms of the project. The U. S. War Department made its arrangements for oil development with Imperial Oil, holders of the known oil lands. All Canada did was notice the deal officially as was proper and say "Go ahead. Good luck."

Canada never thought of trying to hold up the deal with the view "We don't want that oil field used up. We want to keep it for the service of Canadians."

In the face of a war emergency Canada gambled an oil field and its probable swift exhaustion and the U. S. War Department gambled $134 millions on oil field development, building pipeline from Canol to Whitehorse, a refinery and various supplementary enterprises.

In light of then prevailing probabilities, we fail to see how officialdom could properly have taken any other course.

• • •

"RESTITUTION, NOT PROSECUTION"

An article on this page reports that the Ontario Securities Commission occasionally helps people get back the money which they have been high-pressured into putting up for highly speculative stocks.

But salesmen and firms found guilty of such high-pressuring and required to hand back the money do not lose their licenses; suffer no other penalty and are allowed to continue their fleecing operations.

Cited in that article is the case of one firm which has had to turn back money taken from individuals on four known occasions.

This "restitution, not prosecution" policy of the Ontario Securities Commission is worthless as a control measure; as a means of protecting the public. There is no logic to defend it. Above all, it affords the best possible protection for the stock racketeer.

Only one or two out of every hundred victims of the stock racketeer will complain. Most take their licking in angry or embarrassed silence. Many don't recognize the stock racketeer as a special kind of animal. They assume that their experience is what may be expected from the financial community in general.

Since the stock racketeer operates on enormous profit margins, handing back the money in the rare "kick-back" cases is the least painful of all conceivable penalties.

As a means of protecting the public, this restitution policy, unaccompanied by swift elimination of salesmen and firms found guilty of such practices and by sure imposition of real penalties, is just fatuous and childish.

If the Securities Commission thinks the firm or the salesman has behaved satisfactorily, what right has it to tell a firm it must hand back money? That would be a gross miscarriage of justice and offends common sense.

If, on the other hand, the Securities Commission thinks the firm or salesman has behaved improperly, how can the Securities Commission permit immediate resumption of fleecing operations and pretend that it has done its duty by imposing a penalty which is no penalty.

PROTECTS THE STOCK RACKETEER

This is just a farce as the present stock racketeering situation in Ontario abundantly demonstrates.

Registration to sell securities, according to the law, requires that the seller shall be "of good repute."

How often, then, can a salesman or a firm be required to turn back money and still retain its "good repute" standing?

Pretty often, it would appear. One case cited in this issue where a firm is known to have made restitution four times would show that the Securities Commission takes a very generous view indeed of what constitutes reasonable business probity.

A common defense for high pressure selling is that the head of the firm involved cannot supervise his men all the time; cannot control the claims they make, the sales methods used.

Perhaps not. But firm heads in other lines of business make a pretty fair job of it. They don't have to wait for government intervention before they catch up with salesmen offending against company policies.

That defense doesn't hold more than a few drops of water; certainly not in those cases where the offending salesmen are refugees from trouble elsewhere; where they are hired because they are known and proven experts in stock racketeering techniques, some for the 'phones, some for the tip sheets and sucker lists, some for the "old lady" trade, and so on.

Whatever the intent of the "restitution, not prosecution" policy, it has served to protect the stock racketeer; not the public.

Vets. to Get Fair Break in Business

May Establish New Lines of Business Despite Order Hitherto Halting Expansion

By STAFF WRITER

OTTAWA.—Returned veterans of the present Great World War are to be given permission to open or establish new lines of business until such time as WPTB Order No. 184 which restricts this type of business expansion is reviewed and reconsidered.

Under this order, which became effective Nov., 1942, most classes of business in Canada were restrained from either extending their floor space or adding any new or additional lines of business. Permits or exemptions from the order could be obtained and were freely granted, for example, to accommodate a legitimate change of ownership.

Under the new proposed plan, permits will hereafter be granted to returned war veterans to permit them to extend or develop new business.

Ultimate fate of this and other generally restrictive orders issued by WPTB in the early days of price control is under active discussion and consideration at the present time. So far as can be learned, no decision has been reached for any widespread revoking of this and similar orders, but Board officials are anxious to avoid having on their statute books any orders or regulations which have served their usefulness and which appear to be possible of repeal or overhaul without injuring the general price stabilization policy.

Bateman Goes To Washington

Replaces E. P. Taylor as Deputy to Combined Production Board

By STAFF WRITER

OTTAWA. — George Bateman, Canada's Metals Controller, will shortly be named deputy member of the Combined Production and Resources Board at Washington, replacing E. P. Taylor who resigned some weeks ago.

Mr. Bateman will move to Washington and take over administration of the Canadian office of CPRB. He will represent Mr. Howe on the tri-partite Board which is composed of Rt. Hon. Oliver Lyttelton, U. K. Minister of Production; Donald Nelson, chairman of the U. S. War Production Board, and Mr. Howe as Minister of Munitions and Supply. Oliver Lyttelton's deputy at Washington is Sir Henry Self. Donald Nelson's deputy has been Charles E. Wilson.

E. P. Taylor has been Canada's deputy member on the Board since its inception. His chief executive officer has been Sydney D. Pierce.

It is understood Mr. Pierce will be named director-general of the Washington office of DMS, replacing J. B. Carswell who has resigned to become president of the new Crown company War Assets Corp. at Montreal.

George Bateman has been an international figure in the mining world for the past two decades. More recently as Metals Controller he has been a No. 1 choice on international committees whenever Canada was talking with opposite numbers in the U. S. about integrating metal and other raw material resources. Ontario-born, he graduated from Queen's University in mining about 1905.

Sydney Pierce is a Montrealer whose father was a leader in the wholesale fur business in that city. A Gold Medallist at McGill and a member of the Canadian Olympic Team in 1924—hurdling was his specialty—his experiences have ranged from newspaper reporter on the Montreal Gazette to managing his father's orange groves in Palestine.

Donalda Soars On Drill Report

Big width of high-grade gold ore in a drill hole put down 1,300 ft. northeast of the northeast corner of the Noranda property is the explanation offered in Toronto financial circles for a sharp rise in shares of Donalda Mines from 35 cents to $1.25 a share.

According to reports which lacked official confirmation at press time, a length of 106 ft. of core carrying gold values was pulled from a depth of 450 ft. in this hole, with 55 to 60 ft. of the core rumored to average about $12 per ton.

Little is known on what the intersection in the hole represents, it is stated, but a second drill is reported being added to accelerate the outlining of values.

—Blank Stoller photo.

FLYING DUTCHMAN

Robert Bernard Cornelius Noorduyn, builder of the only plane designed in and for Canada now being made in Canada — the "Norseman" — was recently made president of the Air Industries and Transport Association. The six-foot Hollander, who has licked aircraft troubles all the way from the draughting-board to Cabinet level, may be expected to iron out some of the air industries' difficulties.

Racketeer Beats Rap By Occasional Refund

Under present securities administration in Ontario great emphasis is laid on restitution. That is, people who feel they have had a "raw deal" from a stock salesmen may have the help of the Securities Commission in getting their money back.

Unfortunately, this policy of restitution often proves to be a means whereby the stock pirate may evade the penalty of the law and is able to continue his extremely profitable depredations on the public all across Canada.

For the share-pushing firm interested in selling shares at high profit—and with few or with no scruples on how its salesmen do it—restitution has become a "safety valve" which allows not only continuation of selling by misrepresentation but also retention of most of the gains.

If only one out of every five victims seeks redress and the money has to be given back, share pushing is still an extremely profitable business.

The highbinder's salesman is very well coached. His most extreme representations are usually made verbally with no witnesses. Hence, it is only in some cases that restitution is possible.

But if the racketeer stock firm or its salesman is really caught "off base," restitution will often prevent imposition of heavy fines or jail terms.

Cases herewith cited show that though a firm has been repeatedly required to make restitution, the Ontario Securities Commission has not cancelled its license and permitted it to continue operations.

When a case does reach court, it is the salesman usually who becomes the "fall guy" for the firm, though often it is the firm and not the salesman which puts up funds for restitution. The defense usually is that the salesman was acting without orders—that the head of the firm was not aware of what his salesmen were doing and saying.

In a 1943 judgment the Board of Review, a body designed to act as a court of appeal from decisions of the Security Commission, found that the function of the Ontario Securities Commission was "to secure that persons dealing in securities will be honest and of good repute." A Privy Council judgment of Lord Atkins in 1932 on the Alberta Securities Act was quoted by the Board of Review in its judgment as follows:

"There is no reason to doubt that the main object sought to be secured in this part of the Act is to secure that persons who carry on the business of dealing in securities shall be honest and of good repute, and in this way to protect the public from being defrauded."

In view of that, how many times, in the opinion of the Ontario Securities Commission, can a firm or individual be associated with dealings judged sufficiently dishonest to require restitution and still remain "honest and of good repute?"

Here are four cases of restitution involving one single firm which is still very active. Two of the cases reached court in small Ontario towns, but restitution settlements were reached and the only thing that happened was that the salesman concerned went to work for another organization. The head of the firm is under indictment in the United States for alleged violation of securities regulations.

The Financial Post knows of this firm phoning prospects in New-

(Continued on page 2, col. 3)

Paper Order To Remain Unchanged

Printing Administrator John Atkins Rejects Brief Proposing "Dealer" Rationing

Any hopes of early alteration of Order 332 with its attendant restrictions on "unessential uses" of paper to 25 lb. per month have been greatly dimmed by recent developments.

In turning down "dealer level rationing," as proposed by six industry associations in a brief, Printing Administrator John Atkins stated that the order was based on "a knowledge of the immediate situation" not available to the printing trades, and that "it is not reasonable to appraise the merits of Order 332 until it has been in force for a period."

A Printing Trade Analysis

Organizations submitting the brief —Toronto Graphic Arts, Employing Photo Engravers, Employing Electrotypers, Toronto Trade Composition and Quebec Provincial Associations plus the Employing Printers and Stationers Guild of Vancouver —were primarily concerned with the impact of the order on the printing trades. Their brief was not an exhaustive investigation of how

(Continued on page 2, col. 6)

Wartime Foods Plan Gets Off To Good Start

By STAFF WRITER

OTTAWA.—Organizational meetings to start the newly revamped Crown company, Wartime Foods Corp., on its way, are being held this week in Toronto.

Originally created as a subsidiary of Commodity Prices Stabilization Corp. to deal in purchase and sale of cattle for export to the U. S., the company has now been reorganized to regulate import of fresh fruit and vegetables into Canada.

A new board of directors and management has been named and the offices of the company moved to Toronto. For the past year the company has been virtually inactive.

President of the new company is expected to be R. T. Mohan of General Foods, administrator of Coffee, Tea and Spices for WPTB. New general manager is J. B. Landers, Canadian Fruit Distributors, Ltd. K. W. Taylor, WPTB Co-ordinator of Foods and formerly president of the company, now becomes vice-president, A. N. H. James is slated to be new secretary-treasurer.

Under its original charter Wartime Foods was given wide powers to buy, sell, store, transport or distribute foodstuffs of any description. Its capital stock will still be owned by CPSC, but management of the technical business of regulating importation of fruits and vegetables will be divorced from the general operations of CPSC and placed under the new management at Toronto.

The new board is expected to include trade, labor and other representatives.

Washington Probes Raise Big Issues

Criticism of Canol and Aluminum Contracts Puts Ottawa on Qui Vive — Political Pressure May Force Deals Revision Despite Legal Status

By KENNETH R. WILSON

OTTAWA. — Though there is neither surprise nor alarm about Washington's current agitation over Canol and Aluminum of Canada contracts, it is highly probable important international repercussions will arise in the next few months over these matters.

The Truman Committee findings on Canol have already led to demands that this whole contract be rewritten, in light of revelations as to its present or future value. In the case of aluminum contracts, Canadians are seeing at an early stage a revival of the old "full employment" cry. U. S. Western and Pacific Coast interests, where these uneconomic aluminum plants were erected, are demanding that money and manpower within that country's own borders be kept in use and at work rather than have the U. S. continue to buy aluminum from Canada.

So far as both equity and legal considerations are concerned, the Canadian position is thought here to be both clear and unassailable. Whether or not there will be a disposition to make concessions apart from obvious "rights" is a problem yet to be solved. Certainly, both the U. S. Congress and the Canadian Parliament will hear a lot more in the near future.

Select Committee's Report Due

In Ottawa, the select Parliamentary Committee which met last year to investigate the aluminum operation, is meeting Jan. 19 to draft its final report prior to the assembling of Parliament a week later.

One important point not generally realized is that if political pressure in the U. S. leads that Government into cancelling present contracts with Aluminum Co. of Canada, there will be stiff penalties to be paid.

The main contract which the U. S. Government has with Aluminum of Canada was cancellable Jan. 15, 1944. After that date, six months notice must be given. After the six months period has expired, the U. S. Government is obligated to pay a penalty of five cents per pound on the amount of aluminum remaining undelivered. Since the entire contract expires at the end of 1944, the contract would only have six months or less to run from the earliest possible date of effective cancellation.

This main contract is dated March, 1942 and calls for delivery of a billion pounds of metal before it terminates at the end of this year.

Contract No. 2

The second contract, which the U. S. Government holds with Aluminum of Canada, is about a third the size of the larger contract. It runs to the end of 1945, and calls for delivery of 370 million pounds of metal. It also carries penalties and provisions similar to the larger contract, namely a six-month's cancellation notice clause and a five-cent per pound penalty. In addition, there is a further penalty of one cent per pound attached in the event of it being cancelled.

Were either or both of these contracts to be cancelled as result of pressure developing in the U. S. because of curtailment of aluminum demand and operations in that country, Aluminum Co. of Canada would therefore be protected for at least a further period of six months, and the capital cost of plant to which U. S. Metals Reserve Corp. contributed and which was being written off at the rate of five cents per pound of metal delivered, would be underwritten.

What happened originally was that the U. S. Government paid the Canadian company a cash advance to enable it greatly to expand facili-

(Continued on page 2, col. 5)

Predict Mutual Aid 1944 Easier on Can. Taxpayer

Say Canadian Lend-lease Mechanism More Economical of Funds Without Any Falling-off in Quantity of Supplies to United Nations

By STAFF WRITER

OTTAWA.—The 1944 budget appropriation for Mutual Aid is almost certain to be less than the billion dollars which the Government set aside for that purpose in the present fiscal year.

Chief reason is there is almost certain to be a considerable unappropriated balance in the Mutual Aid account at end of present fiscal year.

Since there is no time limit on when the billion dollar appropriation must be spent, it is presumed this unexpended balance will carry over into 1944-45 for spending then.

One reason for this lower expenditure on Mutual Aid in 1943-44 than in 1942 is said to be that introduction of the special Canadian "lend-lease" mechanism has permitted more economical use of funds and husbanding of resources than was the case under the previous system.

Fact that our "lend-lease" aid will cost Canadian taxpayers less money in 1943 than in 1942 does not, it is claimed, mean there has been a proportionate falling-off in quantity of supplies, war goods, etc., available to Britain and other United Nations. Through Mutual Aid it has been simply easier to control and administer the complex international settling out of balances and ensure that every available sterling balance and similar credits have been applied against the cost of Canadian production.

Say Canada Tardy

There has been criticism from time to time that Canada has been tardy in setting up her Mutual Aid mechanism, particularly in regard to China.

Against this, it is stated, aid which Canada has been giving China indirectly through production of war goods which ultimately find their way to China via the U. S. has continued unabated. It is also pointed out Canada has taken great pains to see that war production which she sent to China shall be in a form instantly available for use as soon as it arrives. Heretofore guns or weapons have been shipped without much thought as to the ammunition, firing equipment and ancillary material necessary to permit the guns at once to be set up and fired.

No decision has yet been reached whether the 1944 Mutual Aid appropriation will include the $90 millions or thereabouts Canada is expected to contribute to UNRRA. It is argued that it would be easy to include this contribution under next year's Mutual Aid appropriation. On the other hand, it may be considered politically desirable to separate discussion of the two forms of aid which Canada is giving to other nations.

1944 Demands Less?

It is also quite possible the amount of money actually needed in 1944 for Mutual Aid may be less than 1943. So far this is largely a matter of conjecture. The ultimate answer is tied closely with another equally difficult problem, namely, the hazard of estimating for 1944-45 a war budget which will reasonably reflect the war program and probabilities in that period. It is altogether likely that the 1944-45 budget will have to be brought down on the basis of Canada fighting an all-out war with Germany through the entire 12-month period. Such a budget would, of course, be far in excess of what is hoped will happen if Germany is knocked out of the war early in or during 1944.

What's Ahead For Canada?

Stephen Leacock Tells Why French Canadians Do Not Share in the Dominion's Growing Pride in Empire War Prowess

By STEPHEN LEACOCK
Chapter 7

The growth of separatism in Canada between the two major nationalities—British and French—as discussed in last week's Financial Post, is continued in the present article. Dr. Leacock pointed to the fine heritage of mutual co-operation which existed between the two peoples in the days of Macdonald and Laurier. But he finds that today the Empire's glorious role in this war, instead of inspiring British and French alike, is falling "in a broken light on Canada."

Now what share have the French Canadians in this new pride, in this new birth of an ancient spirit? What share can they have? In all fairness we cannot expect them to feel as we do. Nor can we, as in the song quoted in another chapter, invite them "if they cannot be like us to be as like us as they can." But this new spirit reveals to us that anyone who would cut off Canada from British connection must first cut off the lives of the millions of people whom this spirit inspires and animates. It would be well if the few British-born people in Canada who are not so inspired and animated would put that in their pipes and smoke it.

But the French cannot share this pride. Nor can they fall back on a parallel pride in the glory of France. That may come later if once again the French people can get into their hands the arms they threw so foolishly away. It is not now. But in any case French Canada is not based on France. The Conquest brought a physical separation, the French Revolution a moral one. French people have never migrated to Canada except in odd lots. The connection by arts and letters and science has never been close. French Canadians resent any superiority on the part of Paris. They prefer their own journals. Why read the voluminous rags of the Third Republic that came out six times a day, to be read on the boulevard between coffees till they call the next edition? And even for books French Canada, when possible, prefers its own or took its fiction in English.

So the French Canadians, in this new British ascendancy, are driven in on themselves, to hold all the more tightly to their idea of a "little nation," an isolated devout people, only asking to be let alone. Some even talk of an actual State, a republic of their own—a Laurentia presently to rise on the St. Lawrence, a dream place, beyond the world of money and rapacity and war—and all their own. Who would not sympathize? Better a place of one's own with one's own people in the wilderness than alien rule in a paradise. But geography forbids Laurentia. The St. Lawrence is the gateway to a continent. They can't have that. Yet even a pleasant dream makes an unwelcome day easier.

It seems to me that on both sides we should try to realize the attitude of the other race and meet and match it where we can, and where we can't, say so. British people must realize that the French and their language and their religion are here to stay, and deserve to. The legal guarantees we gave should be rewelded with the guarantee of honest opinion and intention. The French are not going to disappear, and they are also not going to spread over

(Continued on page 8)

at EATON'S

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TORONTO CANADA

Keeping Posted

Periodical Press Group Holds Two-day Meet With Officials

Typical of the efforts of the business and magazine press of Canada to get the news behind the news, to be really well informed on the subjects of vital importance to their particular groups of readers, were two conferences held in Toronto this week.

The Financial Post brought staff writers from its Montreal and Ottawa offices and had half a dozen of its senior men from its Toronto office attending.

Wednesday, editors, reporters, managers and publishers of national periodicals met in Toronto with Donald Gordon, head of the Wartime Prices and Trade Board and senior members of his staff for a conference on price control and rationing.

As we enter what may be the last year of the European war, the whole problem of anti-inflation controls has supreme importance. Mr. Gordon and his assistants discussed questions such as "de-control" when the war ends; the possible need for rationing when the war is over, and other vital aspects of the price control problem.

Further work was done in three round-table discussions on particular aspects; the business newspaper group with one WPTB official covering that general field; the magazine editors with another; the agricultural paper editors with another.

The editors got invaluable information for articles which will help their readers now; some confidential information of what to expect in the future.

The WPTB officials got some valuable information about public reaction to price control; about its effect on various lines of business.

Because business paper editors know intimately the situation within their particular fields, and at the same time see the all-over picture within an industry as few businessmen have the privilege or opportunity of knowing, they have proved that they can help officialdom in an important way.

WPTB officials participating included:

Donald Gordon, chairman, WPTB
K. W. Taylor, Foods Co-ordinator.
F. S. Grisdale, deputy foods co-ord.
George E. Britnell, economic adviser, Foods Admin.
H. H. Bloom, Farm Machinery admin.
Douglas Dewar, chief, prices div.
Roy Geddes, chief, supply, div.
R. F. Chisholm, distributive trades co-ordinator.
Craufurd Martin, chief, distribution.
Byrne Sanders, director, consumer branch.

Thursday, morning, afternoon and evening sessions of periodical editors from all over Canada were spent with top officials of the National War Finance Committee.

Problems of war finance, particularly selling of Victory bonds, are among the most urgent facing Canada this year. The battle against inflation in the months immediately following the cessation of hostilities will be at its most critical phase. Selling Victory Bonds to a public that expects the war to be over shortly, or when the war will have ended, will be a very different and perhaps more difficult problem than this has been so far.

Among National War Finance Committee members taking part in general and round-table discussions were:

Hon. J. L. Ilsley, Minister of Finance.
Graham F. Towers, chairman, NWFC.
K. A. Henderson, executive chairman.
David B. Mansur, assistant chairman.
H. E. Cochran, assistant chairman.
D. K. Baldwin, assistant chairman.
J. H. Ratcliffe, assistant chairman.
Ruth Running, public relations.
R. J. Dunlevy, public relations.
H. Richardson, public relations.
D. Henshaw, public relations.
W. C. Harris, agriculture division.
F. J. Westcott, agriculture division.
S. E. Nixon, director of research.
J. dePencier, chm., Stamp Sales.
Dr. M. M. McOdrum, payroll savings.
W. H. Budden, secretary, NWFC.

Annual Meetings

1944	Company	Place
Jan. 18	National Life	Toronto
Jan. 18	Asbestos Corp.*	Montreal
Jan. 19	Bank of Toronto	Toronto
Jan. 19	Imperial Life	Toronto
Jan. 20	Canada Life	Toronto
Jan. 20	Manufacturers Life	Toronto
Jan. 25	Confederation Life	Toronto
Jan. 27	Canada Iron	Montreal
Jan. 27	Excelsior Life	Toronto
Jan. 27	Natl. Sewer Pipe	Toronto
Jan. 28	Crown Life	Toronto
Jan. 28	Foreign Power Secs.	Toronto
Jan. 31	Can. Food Products	Toronto
Feb. 2	Bk. Nova Scotia	Halifax
Feb. 8	Sun Life Assur.	Montreal
Feb. 28	Montreal Life Ins.	Montreal

* Special general.

If You Keep a File of

THE FINANCIAL POST

You may now get an Index to the major articles published in these columns during 1943.

This Index, published at the beginning of the year, has been reprinted. As long as copies are available, we will be glad to send them to interested subscribers, on request to the editor.

THE FINANCIAL POST
481 University Ave., TORONTO

THE WASHINGTON LETTER

See Loosening Inter-American Trade Plan Economic Meet in Sept., 1944

By LAWRENCE SULLIVAN

WASHINGTON.—Office of Foreign Economic Administration has announced possible relaxation at an early date of the more rigid wartime import and export regulations governing trade within the Americas.

In broad terms, the new plan anticipates a system of general trade licenses which have prevailed during the last two years. Such a plan has been applied, effective Jan. 1, touching export of U. S. flour to Central and South American markets, the general quotas being administered by the Flour Millers' Export Corp., a joint company setup by the exporting millers to allocate shipping space during the submarine days. This corporation now takes over the shipping quotas and restores normal trade relations with the Latin American commercial importers.

In releasing this segment of trade back to private enterprise, the OEA required only that flour exports be limited to actual, heeds in each country, and that all blocked Axis nationals in Latin America be denied access to U. S. food purchases.

For the remainder, the trade is freed of all U. S. government controls, each participating mill in the Flour Millers' Export Corp. taking a fixed quota of the export business, as determined by its previous trade, and its share holdings in the export corporation.

Buyers deal only with the Export Corp., rather than with the individual member firms with whom they formerly did business directly.

* * *

Pan-American Conference

A proposal that all nations of the western hemisphere be brought together for a conference on postwar economic plans has been put forward by the governing board of Pan-American Union, in line with pledges made at the Rio Conference of American Foreign Ministers two years ago.

The conference, tentatively planned for Sept., 1944, would be the first considerable assembly on postwar economic collaboration among the American nations, just as the Rio conference early in 1943 laid the groundwork for the elaborate wartime co-operation now being carried on by the joint committees with Canada, Mexico and Brazil.

Without going into details, the Pan-American governing board looks upon the projected conference as vehicle to further development of western hemisphere resources and markets.

As a preparatory step U. S. officials are planning to perfect the mechanism of the great inter-American bank, as outlined and agreed upon at the Rio conference. Legislation authorizing U. S. participation in that bank was presented in Congress by the State Department more than a year ago, but has been held up in the Senate Banking Committee.

The Administration seeks authority to establish an international commercial bank, which might eventually be in direct competition with all existing banks throughout the Americas. The Banking Committee of the Senate insists that only a discount bank should be created, to serve the existing national banking structures in their international operations. An agreement on this measure would enhance considerably prospects for substantial accomplishments at the forthcoming All-American economic parley.

1943 Newsprint Output Below 3 Million Tons

From Our Own Correspondent

MONTREAL.—December output of 249,693 tons brought Canadian newsprint production for 1943 up to 2,982,797 tons, according to returns compiled by the Newsprint Service Bureau and the Newsprint Association of Canada. This contrasts with 3,177,102 tons the year before and is the lowest output reported for any of the war years, but still 112,000 tons above the 1939 figure.

Shipments last year topped the 3-million-ton mark, or 201,000 tons less than in 1942. Domestic market absorbed 192,820 tons, United States 2,549,759, and overseas 266,807 tons. In the previous year Canada took 202,536; United States, 2,810,839 and overseas 195,312 tons.

Somewhat similar results were achieved by the two mills in Newfoundland. Production totalled 236,207 tons, compared with 277,426 tons in 1942. Shipments aggregated 263,892 tons, with 131,031 tons going to the United States and 131,833 tons overseas. For the previous year the American market took 195,733 tons and overseas 83,479 tons.

American production of newsprint paper last year at 804,853 tons compared with 952,616 tons in 1942. This is the lowest output recorded by the American industry in many years and reflects the steady switching of machine capacity to paper products other than newsprint. Shipments paralleled production.

For all of last year Canadian mills had an operating ratio of 67.8%. This contrasts with 72.2% in 1942: 78.9% in 1941; 78.3% in 1940 and 66.8% in 1939.

Stocks of newsprint manufacturers at the end of last December totalled 115,550 tons, a decline of 6,423 tons during the month. This is an abnormally low figure and compares with 270,964 tons held at the end of 1939.

Racketeer Beats Rap By Occasional Refund

(Continued from page 1)

foundland and Vancouver Island. Calls as far afield as California are reported to be not unusual.

A practice of this firm has been to sell "treasury shares" at around twice the price shares could be bought for on the Toronto over-the-counter market.

Restitution was given in one of these cases which will be of interest to other clients who made similar purchases.

Another firm which issues a weekly tipster sheet noted for its many inaccuracies and falsifications has had four of its salesmen found guilty of stock fraud or other offenses connected with sale of securities. None of the salesmen served time in jail, partial or full restitution being made. In two cases at least, the firm provided the restitution money.

While several restitutions have been made by this second firm when its hand was forced, no restitution was made to the great majority of those people who purchased shares on the basis of the multitudinous misrepresentations contained in the attractively printed weekly tip sheet.

Another firm, busily sharepushing, is headed by a man who came to Canada several years ago from the United States. In 1942, while registered as a salesman with the Ontario Securities Commission, he was fined $50 by an Ontario court for false registration under the National Registration Act. The name he was using was an alias. The conviction did not bring suspension of his license and a few months later he was granted a license to operate a firm under his old alias which by this time he had legally adopted under the Change of Names Act. A clause of the Securities Act requires that registration shall not be granted to people using fictitious names to hide their true identity. Restitution has been required of this firm on at least one occasion.

This month, another Toronto firm was forced to return $400 as restitution to a client, following representations to the Ontario Securities Commission. No known disciplinary action was taken. In this case, the firm took the woman's good securities, including shares in Teck-Hughes and Leitch Gold Mines (valued at $2,300 in all), and gave her in exchange oil royalties valued at about $1,600. Only partial restitution was made.

Another Toronto firm which lost a fortune for its clients in ill-advised royalty financing has been pressuring some mining ground recently.

Two cases are known where important developments were claimed on properties where no work was being done. This firm is known to use the telephone to points as far away as Prince Edward Island. Restitution has been forced in several instances.

A woman who has been dealing with another of these operators writes:

"I'm just wondering if I have been one of those simple fools. I'm rather worried as that was my life savings. This firm wrote and offered to advise me. I went to see them and the gentleman there advised me to sell my International Petroleum, Teck-Hughes, Macassa, and buy some wonderful stock that they had some private information about.

"So I was persuaded to buy 2,400 shares of this stock at 19c, 7,000 shares of another stock at 38c and 240 shares of still another. These all went up a few cents but now the first is around 7c, the second is offered at 13c and I never can see the other one in the paper. Though he told me I would get a dividend on the latter I've never done so. I bought all these in May. Would you please tell me if I'd better sell while I've anything left."

There are prima facie indications of something very undesirable in selling of these shares to this woman as there never was any likelihood of a dividend being paid on the one issue as claimed. The worst danger facing the firm involved would appear to be that, provided the woman has the courage and enterprise to "raise cain" with the Securities Commission, she may get her money back. A bid exists on only one of the three issues now—at a small fraction of the price paid.

Most people of course just "take their licking" quietly; don't care to get mixed up with officialdom; don't know that there is a possibility of getting their money back when fraud is involved. Probably not one victim of share pushing in a hundred makes any protest. Restitution occasionally makes a very small dent indeed in the sharepusher's profits.

Windsor Cuts Civic Debt

From Our Own Correspondent

WINDSOR.—Debenture debt of the City of Windsor was reduced by $2,988,878.13 during 1943 according to report of Windsor's Board of Sinking Fund Trustees made to city council. Total debenture debt of the municipality now stands at $28,215,254.21.

At time of refunding in 1937 the municipal debenture debt stood at $34,548,544.71.

Although the Windsor Refunding Plan entered into by the municipality and the creditors limits the annual purchase of new debentures to $150,000, the sinking fund trustees disregarded the limitation. There was talk during the year that the legislature would be asked to remove the limitation from the plan.

The limitation will be automatically removed under the plan in 1946. By that time it is expected in official quarters that the debenture debt will have been again refunded. A special committee appointed by city council has been studying the prospects for two months and has consulted with provincial department of municipal affairs officials.

In the meantime, announced intention of Archibald McPherson, of London, Ont., bondholders' representative on the sinking fund committee, to resign is reported to have been caused by the other trustees' disregard of the limitation upon their purchases under the plan.

The report to city council showed the sinking fund made a profit of $474,390.70 on its purchases during the year and the annual interest saving caused by the purchases totalled $94,260.22.

Purchases during the year sent prices of Windsor debentures upward.

Washington Probes Canol And Aluminum

(Continued from page 1)

ties and meet the U. S. demand for increased output. It is this capital advance which is now being "written-off" at the rate of five cents a pound. The two contracts, by underwriting production to the extent of five cents, guarantee the company against having to forfeit any of the cash advance made earlier and which has already been spent.

Capital Fuss

Much has been made in recent weeks at Washington of the 650 million pounds of aluminum Canada is supplying the U. S. this year under present contracts. Admittedly this is "marginal" production, since it represents an undertaking which Canada entered into reluctantly at the urgent request of U. S. authorities. However, unlike the "marginal" production which the U. S. undertook subsequently in various plants throughout its own domain, the Canadian production, by reason of power and other costs, is very low-cost aluminum compared with what is being produced at the four U. S. Government-owned plants now being closed down.

Recent statements from Washington contend cost to the U. S. of Canadian aluminum under these contracts is 21 cents a pound. As was disclosed before Parliament last year, base price on 80% of the U. S. contracts is 15 cents per pound (U. S. funds) and on the remaining 20% of the contract, 17 cents per pound. In addition, there are now escalator clauses in effect which at the peak of war emergency conditions last year got as high as 5 cents a pound.

It is understood that this added "escalator" cost has now been reduced. It is therefore likely the present cost of Canadian aluminum to the U. S. is also considerably less than the 21-cent per pound figure mentioned by Senator Bone of Washington State.

The escalator clause of the U. S. contracts is determined each quarter and is calculated on the cost of materials, labor, transportation, etc. in relation to the base period.

1943 Dividends Off $2 Million

Late Declarations Improve Year's Showing Over Early Estimate

Revised figures for dividends paid in December, according to The Financial Post's compilation, show a smaller drop in the total for 1943 than was anticipated a month ago. Total for the year is now indicated at $286.2 millions, a drop of $2.2 millions from 1942. Revised figures for the month and year, with comparatives, follow:

Monthly Dividends

	1943	1942
January	$20,222,823	$22,952,057
February	9,688,637	10,016,154
March	26,372,190	27,730,638
April	20,362,954	21,221,615
May	7,998,821	6,357,276
June	50,910,505	48,456,376
July	25,176,055	27,581,376
August	9,954,394	10,531,957
September	24,324,226	26,079,809
October	20,318,059	20,857,808
November	6,591,313	6,300,932
December	64,270,372	60,329,217
Year	286,190,349	288,415,215

Despite improvement resulting from declaration of late dividends during December, after the previous Post compilation had been prepared, the dividend total for the year continues an almost uninterrupted downward trend that has been in evidence since these compilations were first made in 1937. The yearly totals follow:

Yearly Totals

	$000
1943	286,190
1942	288,415
1941	316,635
1940	304,877
1939	305,167
1938	325,931
1937	323,724

It should be noted that the totals reported by The Financial Post are a straight summation of dividends paid by all companies in which there is a known public investment interest. Since they include payments by holding companies, investment trusts, etc., there is some duplication. For example, that part of the Andian National dividend that goes to International Petroleum appears three times—as a payment by Andian National, as that part of International Petroleum's dividend traceable to its receipts from Andian, and again in the dividends of Imperial Oil, which holds the controlling interest in International Petroleum.

The totals shown are thus all somewhat inflated, but remain reliable indicators of the trend.

U. S. Discusses Pulp Price Boost

From Our Own Correspondent

WASHINGTON.—Office of Price Administration has acknowledged need for an early increase in the woodpulp price ceiling, but has not been able to reach an agreement as yet with spokesmen for the industry.

The pulp industry has appealed for a flat increase of $12 a ton. Instead, OPA is working on a schedule which would grant an increase of $10 on bleached sulphite, $8 on unbleached, and $6 on soda pulp.

But these increases would apply only in the Northeastern and Lake states. Mills still pinched by high costs would be granted a temporary subsidy to sustain maximum production without excessive profits to the low-cost producers.

Pulp prices have been pegged by various devices since July, 1940, and in the interim labor costs, coal prices and machinery maintenance expenses have advanced consistently. These factors have pinched producers to the point where maximum output is seriously threatened, according to current industry statistics.

Paper Order Unchanged

(Continued from page 1)

equitable distribution of paper may prove among consumers on the basis of essentiality.

The brief claimed that printers' and lithographers' advertising uses only 1% of book and fine papers and that the paper saving under the order was thus small. Mr. Atkins, however, declares, "The true conditions are not what the authors of the brief imagine them to be," and expresses the opinion that perhaps not more than 3% of the producers of printing will be "affected peculiarly" by the order.

Under the proposal advanced in the brief, "essential printing" would have been changed and defined by the Administrator in consultation with an Advisory Committee. It was suggested whatever economies possible should be made in this essential matter and that whatever remained should be rationed to printers on the basis of tonnage previously used.

Mr. Atkins, in dealing with these proposals, stated:

"The alternative policies proposed fail to ensure production of the essential printed matter of Canada, use of which must be curtailed if demand and supply are to be balanced. They would leave the problem of essentiality to the individual judgments of 3,500 printers, none of whom could possibly be aware of the facts necessary to right decisions. They do not provide for the orderly production of highly specialized essential printing. They would impede or prevent the automatic adjustment of paper supply to rapidly changing demand. They would also result in an increased cost of printing for those whose need for essential printed matter had increased or shifted. They make no provision for new demands which are considerable and increasing."

Whatever transpires in respect of Order No. 332, Mr. Atkins made it abundantly clear that the problem is one of rationing a limited supply of paper to meet a total demand which exceeds that supply. Said Mr. Atkins:

"More paper cannot now be made available for non-essential and less essential purposes without jeopardizing the supply of essential printed matter."

OUR Fighting WORKERS Give Wings To Victory

Workers and management, heroically speeding up the number of bombers, fighters and pursuit planes, are playing their part in the battle of production to bring victory. May the flow of war machines keep ever mounting until the United Nations have achieved victory. Through hundreds of branches across Canada the Bank of Montreal is co-operating with war-time workers and industries.

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Prospectors' Meetings Find Warm Toronto Response

Opening in Toronto this week, meetings of the Prospectors' and Developers' Association have met with an enthusiastic reception.

If the attendance and interest is any indication, 1944 may experience a prospecting boom transcending the wartime search for strategic minerals.

Indicating a shift in interest, highlight of the opening meetings was the talk of James E. Thompson, Ontario Department of Mines, on recent geological studies in the Kirkland Lake-Larder Lake country. They suggest many further untested possibilities of gold mines to be investigated.

Dr. H. C. Ricaby, Deputy Minister of Mines for Ontario, told the assembled prospectors he regarded appointment of an Ontario Mining Commission the most important development in Ontario mining in 1943.

Any plan which might be advanced by the Prospectors' & Developers' Association to the Ontario Government to aid them and the mining industry as a whole will receive careful consideration, Dr. Ricaby assured the meeting.

It was suggested the prospectors would probably be well advised to direct their future efforts to intense investigation of smaller areas. He thought, moreover, the old method of search could no longer serve, since most of the easily exposed ground had been combed over.

Dr. E. S. Moore, discussing the iron possibilities of the Sault Ste. Marie area, declared the iron deposits present and indicated were important, although practically all the iron ore must be treated before shipment. Michipicoten and other parts of the Sault district contain the largest iron reserves yet disclosed in Canada, Dr. Moore declared.

Agreement on Currencies Believed Much Closer

By STAFF WRITER

OTTAWA.—Officials here are considerably encouraged by reports of progress made by British and U. S. experts towards agreement on a common plan for international currency stabilization.

It is quite definite the "gap" between British and U. S. views has considerably narrowed and that the resultant compromise is in line with Canadian ideas on what constitutes a proper and adequate program. There are still important differences to be overcome but general progress in recent weeks toward agreement is considered a good omen.

What is expected to develop is another formal discussion between a few of the nations most intimately concerned. This discussion would then pave the way for a formal United Nations conference.

One point not yet settled is whether such a conference should await clearer understanding between Britain, U. S. and other powers on world, bank and trade and commercial policy generally. Obviously all these matters are closely related to the success of any currency plan, but it is thought that since currency stabilization discussions are so far in advance of other fiscal negotiations that it would be unwise not to bring the currency talks to finality.

Investor's Index

Jan. 15, 1944

A. E. Ames	5	Gt.-West Life	9, 14
Alg. Cen. & H. B.	4	Ham. Bridge	4
Anaconda Brass	13	Harding Carpet	24
Atlas Steels	4	Hudson's Bay	9
Balfour Bldg.	9	Indus. Factors	27
Banq. Can. N.	3, 10	Lake St. Louis. B.	5
B. A. Oil	5, 26	Melchers Distil.	5
B. C. Electric	4	Mersey Paper	8
Burry Biscuit	5	Mid-Cont. Oil	4
Can. Car.	4, 13	Moirs Ltd.	24
Canada Dry	4	Mtl. Light	26
Can. Foundries	9	Noorduyn Avia.	4
Can. Gen. Ins.	9	Orange Crush	13
Can. Int. Paper	8	Pioneer Gold	4
Can. Life	11	Power Corp.	5, 9
Can. Nor. Pwr.	14	Sec. C. Int. Inv.	5
C. P. Airlines	23	Sec. Inter-St. R.	5
CPR	9	Silverwood D.	4
Cassidy's Ltd.	14	Sun Life	11
Distillers-Seag.	4	G. Tamblyn	3
Dom. Bridge	26	Tor. Gen. Ins.	11
Donalda Mines	1	Twin City R. T.	4
East Koot. Pwr.	9	United Corp.	11
Fleet Aircraft	16	United Shipyds.	26
Foreign Power	13		

MINES AND OILS

B. A. Oil	5, 26	Lake Shore M.	26
Cen. Pat. Gold	26	Little Long Lac	26
Dom. Oil Co.	13, 26	Norcanols Oil	26
Imperial Oil	26	Steep Rock Gold	26

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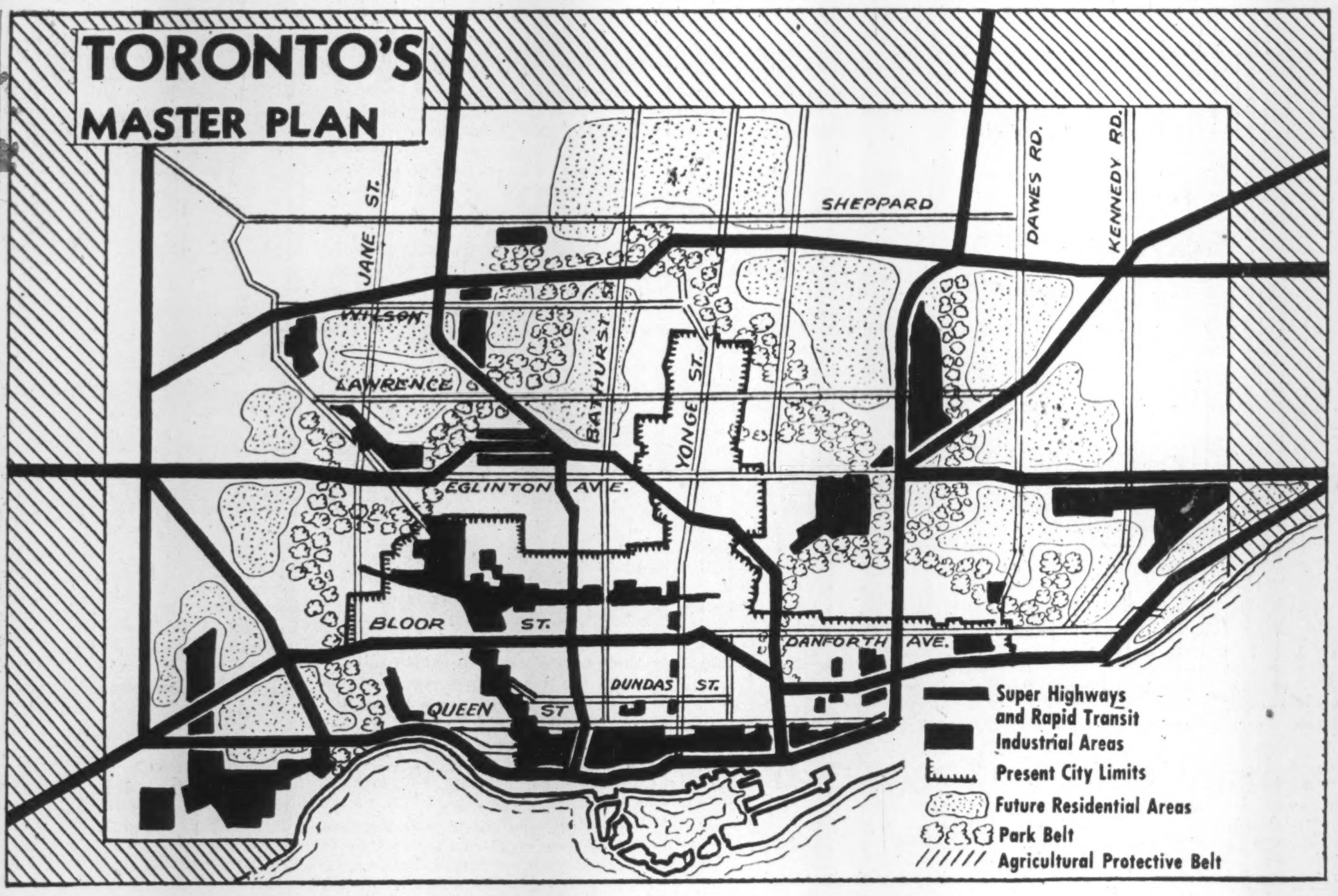
Toronto Gets 30-year Super-plan

Experts Go All-out For Traffic Ways, and Rigid Segregation of Areas



Toronto is Canada's first city to follow Chicago and Detroit with a broad, co-ordinated scheme for postwar and longer-term metropolitan development. The City Planning Board and its technical committee have tabled, after a year's study and wide consultation, a "master plan" embodying traffic provisions, that belatedly recognize advent of the automobile, and zoning proposals which aim to control building and area development at hub and rim.

Toronto's is really not a concrete project but an outline, a collection of earlier as well as new proposals. No blueprint, it leaves aside, for the most part, questions of timing and financing. Quite evidently it seeks rather to inspire future planning than to set boundaries. Its lack of rigidity is probably the reason the "plan" has received almost entirely favorable initial press. This is also probably why The Financial Post finds among real estate and construction men praise for its breadth and flexibility, and little criticism on details.

On the other hand, property owners, as a group, may become outspoken critics of certain of the individual proposals, The Post understands.

Design for Traffic

A traffic pattern, featured by a new crosstown "super" highway and the TTC's rapid transit system, is laid down in the report.

Toronto's widest street Spadina Avenue, is 132 ft. wide; a new thoroughfare paralleling Bloor St., Riverdale Ave. and Gerrard St. would be well over 400 ft. wide and would extend across the city from Bloor and Dundas eastward to Main Street.

As in Detroit and elsewhere, limited-access crosstown highways are constructed by taking all the land between two adjacent and parallel streets for super street purposes, clearing away buildings but leaving existing streets to serve the buildings on the far sides of each.

Then the central part of the cleared strip is excavated and in the depression is built a dual highway with tramline in a centre boulevard; access to the highway is gained only at intervals and by means of cloverleaf entrances, while crossing is afforded over bridges integrated with the cloverleaf system.

This is only one—although the most "super"—of the major highway projects listed.

Another would involve widening an east-west downtown thoroughfare (Queen St.) through the entire downtown district. It would be a costly improvement. Suggested also are links to proposed provincial highways to Barrie, Beaverton and Peterborough, as well as a lengthy list of general street widenings and bottleneck corrections.

General Proposals

C.P.B. sees its master plan largely fulfilled by 1975, with the metropolitan area built up over 100 sq. miles instead of the present 45 and with 1.5 million population instead of the present .85 million.

In its report submitted late last week to Mayor Conboy the Board urged that the plan be given early and constructive action and that provincial enabling legislation be secured at once. Architectural control by the city of external design of all buildings, establishment of a metropolitan planning authority, and a sharing of gasoline tax revenue with the municipalities to help finance internal highway development was urged.

The Board asked immediate enactment of the Draft Zoning By-Law and immediate steps in co-operation with the province and suburban municipalities to apply the principles of zoning to the whole metropolitan area.

Asked also is "freezing" of perimeter lands by surrounding the entire metropolitan area with an "agricultural belt" three or four miles wide in which land would be removed entirely from speculative holding and taxes reduced to the level of purely agricultural land.

An "inner green belt" would link the ravines of the Humber, Black Creek and Don, to provide a scenic drive as an important part of an expanded parks system.

A downtown civic centre ultimately would boast a new city hall, other public buildings and squares. The downtown section generally would get a face-lifting, with some of the older buildings demolished, municipally-controlled parking lots established, overhead wires buried, poles and overhanging signs removed.

Recommended as a second central development is the westerly expansion of the University of Toronto; establishment of a new Conservatory of Music, a public auditorium, replacing Massey Hall, and the Canadian Broadcasting Corp's proposed headquarters, as a combined "music centre" near the University; provision for expansion of Toronto General Hospital in the same area.

First critical opinion of the Toronto Planning Board's concept of the metropolis of 1975 is largely favorable, although property owners are wary.

Toronto planners would rebuild central slums, resorting in part to public housing, would erect an agricultural barrier to control perimeter development, regulate industries in city and suburbs to clearly defined zones and, most far-reaching of all in point of cost and geographic extent, would lace the region with new superhighways and reconstructed sub-arteries.

Members of Board

Toronto's 1943 planning board consisted of:

A. G. PARTRIDGE, president, Goodyear Tire & Rubber Co., chairman;
E. R. ARTHUR, professor of architectural design, University of Toronto;
W. C. McBRIEN, chairman, Toronto Transportation Commission;
C. J. WOOLSEY, Toronto & District Labor Council;
F. D. TOLCHARD, general manager, Board of Trade;
D. M. FLEMING, city alderman;
TRACY D. leMAY, Commissioner of City Planning;
J. D. MILLAR, Deputy Minister of Highways of Ontario;
A. J. B. GRAY, Deputy Minister of Municipal Affairs;
MARTIN BALDWIN, Curator, Art Gallery, executive secretary.

The board's advisory technical committee consists of:

A. E. K. BUNNELL, consulting engineer, convenor;
A. S. MATHERS, architect, Mathers & Haldenby;
H. B. DUNINGTON-GRUBB, landscape architect;
S. R. FROST, consulting engineer;
E. G. FALUDI, city planning consultant.

Impossible Not Attempted

Few contacted by The Post were able to point to important omissions from the master plan for Toronto. Few supported the complaint of one architect that the report had forgotten the system of rails across the waterfront — "Toronto's Chinese Wall blocking the city from its God-given bay"—and that it had neglected the "back alley main street" of lower Yonge Street. Concensus was that the planning board and its committee had deliberately ignored these questions and with good reason.

W. H. Bosley, realtor, and H. C. Nicholls, Builders' Exchange president, told The Post they considered the plan a sound approach to the problems involved. Mr. Bosley said he was particularly pleased the Board had urged immediate adoption of the city's long-proposed zoning by-law.

Property Owners Wary

Representative property owners, while apparently not hostile to the general concept of Toronto's master plan, are inclined to be critical on one or two particulars. As one put it to The Post: "The idea of such planning is splendid, but planning should deal first with underlying conditions. There is a surplus of sore spots in the downtown area that might be given intimate study in the light of evidence that the worst and fundamental blight is destructive taxation."

Another view was that cost estimates, lacking in the present report, were an immediate necessity — in many cases might have been included as a more realistic guide to detail planning.

Still another thought need for subsidized housing had been widely exaggerated recently and that in any case subsidized housing, however financed, inevitably would depress present values and thus prove costly to the municipal taxpayer

Engineer Praises Plan

Norman D. Wilson told The Post that the popular idea of a city plan as being rigid and final was "cockeyed." Instead, he said, all proper plans for broad and changing needs are distinctly flexible, and that this is perhaps the chief virtue of the present Toronto outline. Mr. Wilson, a leading town planner and traffic authority, is the Toronto Transportation Commission's consulting engineer for its rapid transit proposal, and thus has had an important ex-officio role in shaping the city's new over-all plan.

Discussing subsidized housing, Mr. Wilson thought it was clearly needed but that real estate should not be expected to provide the cost. He did not think the present plan's subsidized housing proposals were predicated at all on the idea of a larger mill rate but rather on concessions from provincial and federal authorities.

"Even if only 10% of the new city plan's general proposals were carried out by 1970, it would be a feather in Toronto's cap. My own opinion is that the plan will be implemented 60% or more in the next 30 years. We're going to have to spend the millions one way or another, and I think this plan shows the way."

Housing Proposals

Two blighted and rapidly deteriorating residential districts on the east and west flanks of the central area should be replanned and rebuilt into new and modern residential neighborhoods for low income families, the report urges further.

It is proposed that in these two districts almost every building except schools and churches be torn down, many streets and alleys closed and new ones laid out, and blocks of apartments built to rent at $25 a month maximum, served by neighborhood shopping areas.

For some months Montreal too has had a committee at work on a similarly ambitious plan and may announce details soon. Halifax has begun consultations looking to a master plan. Undoubtedly there will be others.

Ottawa's federal district problem is, of course, in another class, but its Architectural Research Group may have something up their sleeves for the city proper and its environs.

Cafe Operators Form National Organization

Name Leo Dandurand Head; Group to Act as Liaison With WPTB

For the first time restaurant operators in Canada have formed a national association. The work of a nine-man organizing committee, the new association held its first meeting recently in Ottawa, electing Leo J. V. Dandurand, Montreal, president and a slate of officers and directors as listed below.

Objectives are stated to be to improve standards, carry out educational work and to act as spokesman for the whole restaurant business of Canada in matters, such as legislation, affecting all operators. Organization of the national association, with which it is planned to affiliate provincial and local restaurant organizations across Canada, was undertaken by a committee headed by Walter F. Harris, president of Crawley & McCracken and of Murray's Lunch, Montreal. In part it is the result of the need felt to have a single authoritative spokesman to represent the industry with WPTB.

Five Types of Members

Five classes of memberships are provided: active, active-group; associate; junior; and honorary.

Active members will comprise the major body of restaurant operators across Canada. Their fees will be based on annual receipts, each $50,000 of annual receipts calling for payment of $30 in annual dues and entitling the member to a single vote.

Active-group memberships are designed particularly for restaurants in smaller centres, such as the Prairies. Many of these operators have annual sales of $10,000 or less. They can join together to form a group having annual sales of up to $50,000, paying the $30 annual fee and obtaining one vote. No restaurant having annual sales of more than $35,000 is eligible for inclusion in a group.

Associate members will comprise th purveyors and suppliers for the business. Junior members are to be employees of active members, while honorary memberships may be granted for services or other reasons. The latter membership carries no dues or voting privileges.

The association's charter provides for a total of 40 directors, to represent each province or geographical division. As organization work is still in its early stages, however, the full list of directors was not elected at the inaugural meeting, leaving opportunities for representation of members who join later.

As elected at the first meeting, however, officers and directors are as follows:

Officers:

LEO J. V. DANDURAND, president, Drury's Ltee. and Cafe Martin Ltee., Montreal, president.
VINCENT T. GREGORY, general manager, Honey Dew Ltd., Toronto, 1st vice-president.
CLARENCE E. MOORE, manager, Moore's Restaurants, Winnipeg, 2nd vice-president.
MRS. F. G. MONTGOMERY, owner Montgomery's Coffee Shop, Toronto, secretary-treasurer.
GEORGE S. HOUGHAM, Canadian Retail Federation, Toronto, executive vice-president.

Directors:

British Columbia: N. R. BAILEY, owner-manager White Spot Ltd., and TOM STAMIS, Trocadero Cafe, Vancouver.
Alberta: A. E. BEAVER, Restaurants Ltd., Calgary; H. E. MERRICK, Edmonton.
Saskatchewan: GEORGE S. GRANT, Hotel Kitchener, and N. PAPPAS, Balmoral Cafe, Regina.
Manitoba: TIM BASS, Olympia Cafe, Brandon; C. E. MOORE, Moore's Restaurants, Winnipeg.
Ontario: V. T. GREGORY, Honey Dew Ltd., F. D. PATERSON, Muirheads Cafeterias, GUS LETROS, MISS V. M. RYLEY, T. Eaton Co., and MRS. F. G. MONTGOMERY, Toronto; CHARLES BRUNO, Hamilton; STANLEY MASTERS, London; MISS DOROTHY CRAWFORD, Honey Dew, Ottawa.
Quebec: J. KERHULU, Quebec; C. R. BRONSON, Murray's Lunch, RUFUS L. BOND, Cordner's Ltd., GEO. C. SPILIOTOPOULOS, Venus Sweets, LEO DANDURAND, EDDIE PROVOST, Canadian Restaurant Owners Assoc., and A. A. MACNAUGHTON, Scott's Ltd., all of Montreal.
Maritimes: A. H. BENNETT, Moncton; L. H. NORMAN and W. A. HART, Halifax.

Jarvis Court Apartments Ltd. is to be wound up following a vote to that effect at a special meeting of shareholders. C. M. Nerlich, Toronto, has been appointed liquidator.

"What sort of a world will your family live in?"

Who can say? It may be a world beset by endless troubles. Or perhaps the great struggle now in progress will lead us into an era of peace and prosperity.

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Banque Nationale Clears Obligation

From Our Own Correspondent

MONTREAL. — Banque Canadienne Nationale has liquidated its indebtedness to the Province of Quebec, according to General Manager Charles St-Pierre. On Dec. 31 last the bank paid over to the Provincial Treasury $1,467,686 which, with previous instalments paid by the bank, discharged the balance of payments.

The province now has received the full amount which the Bank had agreed to pay to enable the province to constitute a sinking fund for the redemption on March 1, 1964, of $15 million of bonds of the province ceded and transferred to the Bank in 1924.

G. Tamblyn Ltd. sales in 1943 showed a gratifying increase over the previous year and again established a new high record, shareholders are advised in a letter accompanying current dividend cheques.

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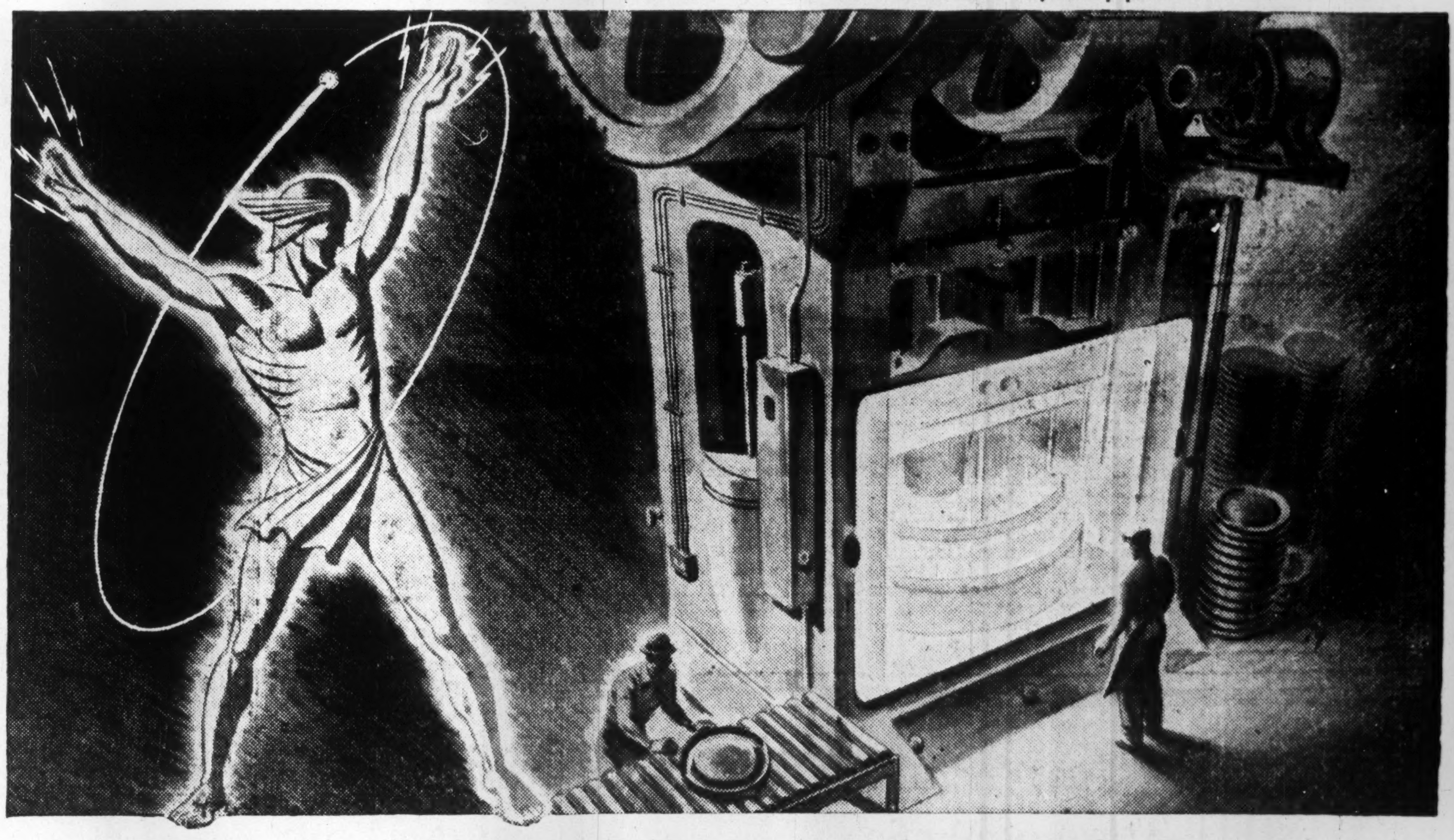

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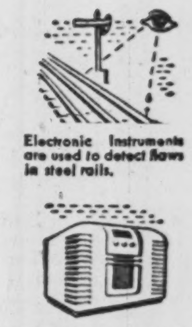

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Investments

E.P.T. — Shock Absorber

It has already been pointed out in these columns that one of the most important influences on market values this year will be the Excess Profits Tax—and its possible modification.

As to modifying the present form of levy, we should like to make it clear that we have absolutely no "inside information" that any modification is now being planned. But there are two very strong reasons for changing the levy—the costs of war and government may very well be lower this year, and the 100% EPT is thoroughly unsuited to the problem of conversion to peacetime work.

But so long as the present tax prevails, it acts as a great "shock absorber" for possible losses. Calculation of this cushion is most important.

The calculation is not very difficult. In the case of the recent annual report of Canadian Car & Foundry, for example, it works out like this:

Canadian Car's refundable for the year is $271,175. That means that the "shock absorber" is five times that amount, or $1,355,875. Net profit for the year amounted to $832,241, so that Canadian Car could drop up to 15/8 of its current net profits in taxable income before the net profit on the preferred and common stock would be affected. During the process, the 20% refundable would gradually be wiped out, but this would not affect current dividend-paying possibilities.

Importance of this calculation can be realized when it is remembered that Canadian Car preferred showed net earnings of $2.99 per share against an annual dividend requirement of $2.10. On that basis, preferred dividend was only covered with a margin of 42½% to spare. But if the "shock absorber" created by 100% EPT is taken into account, it will be found that the margin of safety over preferred dividend requirements is actually around 276%.

This sort of calculation does not pretend to give all the answers about a security, but it is extremely important as a measure of the earnings cushion, and in the event that EPT is modified to end the present discrimination, would presumably provide some measure of the earnings picture that may appear after modification.

* * *

Re Algoma Rail Bonds

Last week, the marked improvement in the bonds of Algoma Central & Hudson Bay Railway during the past year was touched on in this column, and an estimate made of the possible further improvement that may be expected should the activity in the Sault district be maintained.

One or two subscribers have written in enquiring further concerning these bonds, and it is gratifying to note that no one has apparently taken the item in this column as a recommendation of the bonds.

In case there should be any doubt on this subject, we should stress that the purpose of this column is to assess both sides of the picture in specific securities, not to make recommendations. Wherever possible, we will continue to call attention to profit possibilities and do our best to evaluate those possibilities. Neither here nor anywhere else in The Financial Post do we recommend securities—our job is to assist the investor in making up his own mind, not to instruct him in what to buy and sell. Most of this has been said before in The Post, we repeat it here to settle what few remaining doubts there may be.

* * *

Caution on Transits

With market prices fairly high in relation to earlier years, some investment dealers are recommending caution regarding the bonds of Twin City Rapid Transit Co. and other tramway companies. Ground for a more conservative attitude is that these companies have experienced the greater part of the benefits that wartime traffic and auto restrictions will bring, can now look forward to a return of competition from the automobile and a drop in traffic. It is also pointed out that whenever a transit company manages to augment its reserves there is immediate outcry for reduced fares on the part of local politicians, and that a reduction in fares would leave the companies severely handicapped in facing postwar rehabilitation costs.

* * *

Outlook For Atlas

Atlas Steels Ltd. has recently completed its business year with highly satisfactory results, The Financial Post is informed. A large share of earnings will be devoted to reduction of the company's obligations to the Government, it is understood, following the procedure of previous war years.

Meanwhile, Atlas Common has recently touched an all-time peak of $28, and is currently quoted around $27, representing a gain of about $7 a share in the past year. Prior to last year's advance, the stock had held closely to $20 a share fairly steadily since the end of 1939, when it was quoted in the neighborhood of $13.

Paying 60 cents per annum, the current yield on Atlas is on the low side, but the stock has gained an optimistic market following because of the specialized nature of its high grade alloy steel output and the aggressive steps the management is taking to develop export markets. Currently the main export drive is toward developing a South American market, but world capacity for these specialized steels is still low and markets may eventually be found all over the world, including highly industrialized nations. In its first export contacts, Atlas is understood to be meeting with a substantial degree of success.

* * *

General Bond Strength

Bond markets over the past week were generally stronger, with marked advances in most of the issues selling below par. Algoma Rail bonds moved up two points, Western Grain gained a further 2½ points, Abitibis advanced 1½, while Consolidated Papers moved up about 2 points. Biggest gains reported for the week were International Hydros and Canadian Vickers, both of which added 5 points. The Vickers move appeared to be predicated on growing optimism concerning an interest payment in February, but outside of this specific news to cause the advances was lacking and the strength was attributed mainly to general optimism on the future together with the abundance of funds and the scarcity of investment outlets.

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A.E.Silverwood Looks Ahead

Dividends Covered, But Taxes Leave Little For Working Capital

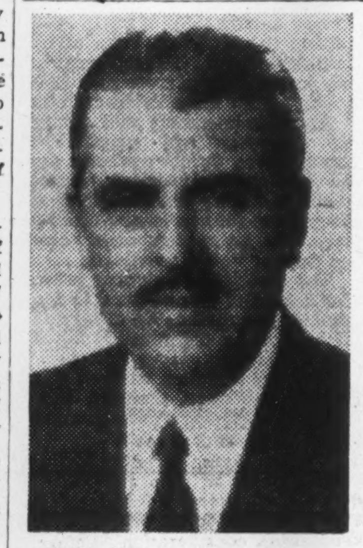
In a precedent-breaking letter to shareholders, A. E. Silverwood, president of Silverwood Dairies Ltd., gave a detailed forecast of the company's earnings for the year ending with next March, together with a five-year statistical record of the corresponding figures of previous years.

Excluding the postwar refund under EPT, the net profit for the 1944 fiscal year will amount to $133,000 against $139,335 last year. Including the refundable portion of EPT gives totals of $184,666 and $172,335 respectively.

Even at the lower figure, dividends for the year, shown at $124,369 against $125,639 last year, will be covered by a comfortable margin.

According to Mr. Silverwood's estimate, sales for the current year will total $11.5 millions, compared with last year's total of $10.4 millions and the 1940 total of $6.8 millions.

Mr. Silverwood points out in an accompanying letter that increasing taxation has made it possible to add very little to working capital from wartime net profits. After paying dividends, the 1944 net will leave a surplus for working capital of $8,631, the lowest figure in the five-year period, which contrasts with a high of $79,315 in 1941. As a result, Mr. Silverwood points out, only $139,933 has been added through net profits to working capital, compared with a total taxable income for the period of $1.8 millions and sales of $45.8 millions.



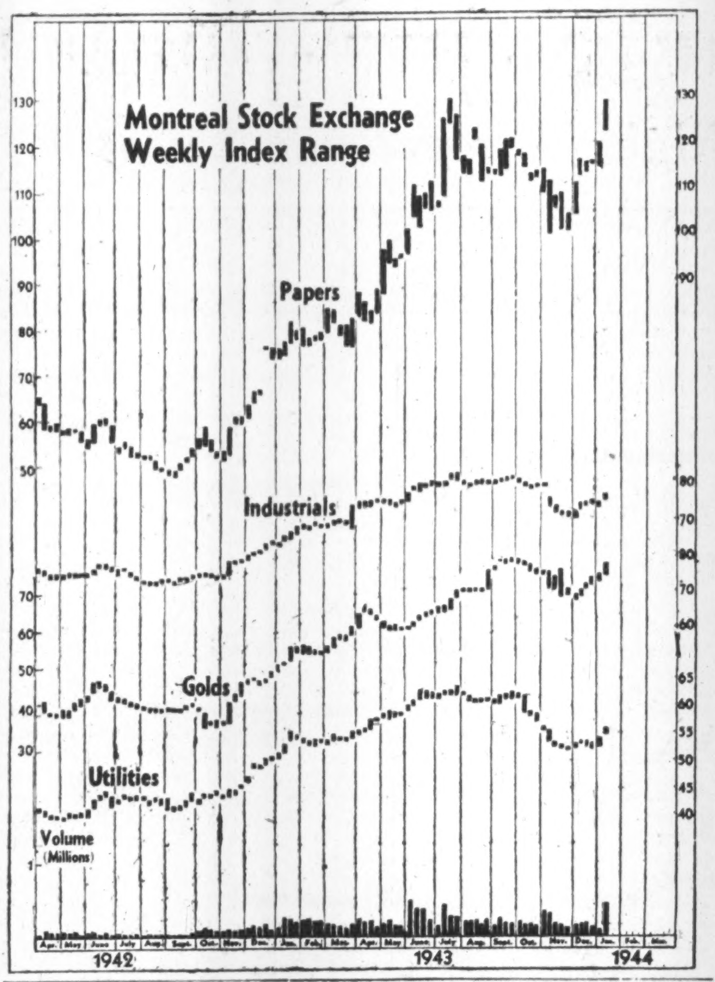
MOVES UP

William F. Spry who has been appointed vice-president and general manager of the Canadian General and Toronto General Insurance companies. Mr. Spry was formerly chief executive assistant to W. P. Fess, who has retired from the presidency. Mr. Spry is a director of Canadian Insurance Shares, Ltd.

St. Luc Hospital, Montreal, is making a public offering of $2.4 millions of 3½% first mortgage bonds through a syndicate comprising Savard, Hodgson & Co., Paul Gonthier & Co. and Oscar Dube & Co. at par and accrued interest. Proceeds of the issue will be used by the hospital to retire at 101 an issue of $2.4 millions of 4½% bonds on Feb. 1, 1944.

The present issue will be secured by a first mortgage on the hospital property. In addition funds received from the City of Montreal and the Province of Quebec will be hypothecated as security for the loan.

Distillers Corp.-Seagrams Ltd. advised the Montreal Stock Exchange that during December the company purchased for retirement and cancellation, on account of sinking fund, 1,450 shares of $5% preferred stock, thereby reducing the outstanding preferred stock to 143,207 shares as at the end of 1943.



Stormy Time For Vancouver Utility Deal

Say Conflict Grows as Data Eagerly Awaited on B. C. Electric

From Our Own Correspondent

VANCOUVER. — The civic authorities here will receive some time about the middle of this month a report from its special committee examining B. C. Electric data prepared by the Public Utilities Commission. This material is expected to serve as background for possible negotiation for municipal acquisition of the public utility.

Meanwhile conflict seems to be growing between Premier John Hart and Vancouver City Council as to who should take the initiative in the matter. As previously reported in The Financial Post, the Provincial Government has no intention of buying the utility, although it is ready to co-operate with the municipalities should they attempt to do so.

Some Vancouver aldermen claim the Government introduced the matter originally and that it should follow through.

Premier Hart is reported to have written to the municipalities, apparently asking for a lead. At the same time Victoria's Mayor Andrew McGavin complains the Premier has not yet notified the municipalities of the results of his discussion in Montreal with the directors of B. C. Electric. It is contended also by Mayor McGavin and other municipal authorities that the PUC has nothing to do with the suggested purchase of the company's assets.

Noorduyn Ltd. Doubles Output

From Our Own Correspondent

MONTREAL.—Production of complete airplanes by Noorduyn Ltd. during 1943 was more than twice that in 1942, and more than 7 times the number in 1941. These figures include the Harvard advanced trainer type and the Norseman or transport.

Production of the Norseman alone during 1943 was more than 12 times the number for 1942. With the exception of 4 delivered to Canadian Pacific Air Lines, the entire output of Norseman went to the U. S. Army Air Forces.

A new monthly peak of production was reached, the company reports, in each of the last three months of 1943. Output during that quarter exceeded the corresponding quarter of 1942 by 75%.

Seagram Profit Base Changed

Distillers Corp.-Seagrams Ltd. reports a consolidated net income of $3,031,355 for the quarter ended Oct. 31, 1943, as against $4,985,364 for the like period of the previous year.

Figures for the 1943 quarter reflect adoption by the company's United States subsidiaries of "last-in first-out" method of determining cost of inventories, and are expressed in United States currency.

Three Months Ended Oct. 31

	1943	1942
Profit after all operating charges	$10,350,781	$14,883,004
Inc. & E. P. taxes .	6,319,426	8,897,640
	4,031,355	5,985,364
Prov. for possible future inventory price decline	1,000,000	1,000,000
Net income	3,031,355	4,985,364

U. S. Pulpwood Import Under Allocation

Firms in the United States importing pulpwood from Canada or elsewhere henceforth must first obtain authorization from the War Production Board.

According to a ruling handed down by the WPB this new order applies to the 1,250,000 cords of pulpwood which Canada expects to ship to the U. S. during 1944. This particular wood is for other than newsprint usage.

The important control is invoked, WPB said, to permit the building of a reserve supply to meet unforeseen and urgent war needs which may develop during 1944.

Spencer Buys Steel Plant

Evidence Local Interests Getting Control of B. C. Industry

From Our Own Correspondent

VANCOUVER.—Col. Victor Spencer, department store operator and president of Pioneer Gold Mines, has purchased the Vancouver plant of Hamilton Bridge Western Ltd. from eastern owners. The deal is regarded as significant of a growing tendency for local interests to gain control over British Columbia industrial plants.

Name of the company will be changed to give it a definite identity with the West. It will continue to fabricate steel parts required by West Coast Shipbuilders, Ltd., an adjacent shipyard.

Col. Spencer has been a director of Hamilton Bridge Western for several years and latterly its president. The company had its inception here in 1929 when, under the original name of Western Bridge Co., it took over the Coughlan steel plant on False Creek.

Mid-Continent May Have Field

No. 3 Well Gets Into Taber Sand Without Showing Water

Possibilities of tapping a new crude pool south of Taber appeared to be growing this week as Mid-Continent Oil & Gas No. 3 well drilled into the Taber sands with no showing of water, water-free oil rising 85 ft. in the hole, according to information received by The Financial Post. At press time, coring had been carried 4 ft. into the Taber sand with progress being made at the rate of 3-5 ft. a day.

The No. 3 well is of particular interest due to results secured in No. 1 well which, while unproductive due to water present, encountered 15 ft. of Taber sands and the Ellis sands lower down with a thickness of 37 ft. Substantial showings of oil were present in both sands.

The No. 3 well was located higher on structure to avoid water and from drilling so far, it appears water has been avoided and a commercial pool tapped.

Other large wells in the Taber area secure their production only from the Taber sands, so results at the Mid-Continent No. 3 well, where there are two sands present, will be watched with particular interest.

Mid-Continent No. 2 well, about 12 miles south of the No. 3 well, is down over 200 ft. but no drilling is being carried on at present due to the labor shortage. Financing has been completed for a program of eight wells altogether and an associated company, which is participating in the financing, has an option on drilling a further eight wells.

Canada Dry to Enter Franchise Bottling

Canada Dry Ginger Ale Ltd., which has up to now bottled all its own beverages, will in future make use of the franchise bottling system, according to R. H. MacDonnell, vice-president and general manager. Growing demand for the company's products, is now too great for the facilities of the four bottling plants at Toronto, Montreal, Winnipeg and Edmonton, it is stated.

As soon as conditions permit, Canada Dry will add a complete line of five-cent products, it is stated. These will include the more popular flavored drinks and a cola already well established on the American market.

Industrial Hamilton's Housing Demand Sags

Influx of workers has stopped and movement in the other direction has begun in the war-industry centre of Hamilton, a recent civic survey of housing revealed. At least a dozen families were reported leaving monthly. Evaporated is the waiting list of hundreds reported in early 1943 by Wartime Housing Ltd., in whose hostels for men vacancies already are reported. There is still a brisk demand for housing accommodation and a few large old houses are being altered into apartments under the National Housing Administration's housing conversion plan.

Market Comment

Out Of The Rut?

Canadian markets in the week closing Jan. 11, continued to put on a markedly better display than the New York market. Once again the Toronto gold index has been the feature, repeatedly breaking into new high ground since 1941. Montreal pulp and paper index has been steadily pressing upward, but had not yet bettered its 1943 peak at the time of writing. Toronto western oil index also closed the week very close to its 1943 high. Industrials in Toronto and Montreal each had about four points to go to equal last year's top.

From a chart point of view, this close approach to the former highs all around places the market in an extremely ticklish position. Failure to get through on this move, backed as it is by sharply rising volume, would appear a most pessimistic sign. On the other hand, the U. S. Dow theory, applied to a similar situation would take comfort from the fact that the averages had been able to come so close to their former tops. In a genuine bear market, there have been few cases where rallies have taken the indexes nearly as close as this to their old tops.

On the whole, the receptiveness of the market to good news, the rising volume and the corresponding strength in the bond market would appear to indicate higher prices ahead.

* * *

Barron's New York (The Trader): Bonds and equities continue to be favored by investors, and such preference usually betokens a healthy condition in the stock market. Unattractive as may appear the yields from standard industrial stocks, the fact remains that capitalists, large and small, appear to be potential buyers rather than sellers, regarding the moderate return as insurance for the period of holding until the ultimate postwar boom materializes. It would be foolish to attempt to dogmatize when duration of the war is so uncertain a factor. Yet, until liquidating pressure develops, no general retreat into cash seems warranted.

* * *

Barron's, New York (The Dow Theorist): The Dow theory interpretation continues to be that this is a long intermediate interruption in a bull market. This interpretation would be confirmed if the two averages should rise above the bull market highs made last July. If averages should now turn down and fall below the November 30 bottoms, it would be regarded here as a bear market signal, regardless of how short or how long the subsequent decline should turn out to be.

A development which does not affect the foregoing, but which is regarded by some students as encouraging to the bulls, is that the utility average made a new high for the bull market last week, going above its summer top. However, that is not necessarily bullish. On two occasions in recent years a similar event preceded sharp declines in the whole market.

Tessier Made Partner Geoffrion & Robert

J. Eugene Tessier, C.G.A., has been admitted to partnership in the firm of Geoffrion & Robert, members of the Montreal Stock Exchange. Mr. Tessier has been associated with the firm for 18 years.

EDMONTON BUILDING

The value of building permits, issued at Edmonton, during November amounted to $231,010, bringing the 11-month total to $5.7 millions.

SASKATOON LIVESTOCK

Receipts of livestock at the Saskatoon Stock Yards for the 11 months ended Nov., 1943, are officially reported as follows: Cattle 47,680 head (compared with 48,488 in the corresponding period of last year); calves 8,044 (9,476); hogs 280,340 (146,915); sheep 15,547 (11,104) and horses 5,682 (2,775).

An Excellent Financial Record

The Province of Quebec has achieved outstanding financial improvement in recent years.

During the two years and eight months ended November 30th, 1943, the surplus of ordinary revenue over ordinary expenditure of the Province resulted in a reduction in total direct and indirect liabilities of $20,679,000.

Province of Quebec

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Town of Mimico

$204,000	3% debentures due 1944 to 1949 inclusive. These debentures have been sold.
$227,000	3½% debentures due April 15, 1950 to 1955 inclusive are offered at 100 and accrued interest yielding 3.50 per cent.
$444,000	3¾% debentures due April 15, 1956 to 1964 inclusive are offered at 100 and accrued interest yielding 3.75 per cent.

The debentures are callable at 100 and accrued interest in reverse order of maturity and bear the certificate of validation of the Ontario Municipal Board.

Delivery about February 15.

The strong position of the Town of Mimico is illustrated by the fact that since 1932 the Net Taxable Debt has declined from $285.00 per capita to $118.00 per capita, while total tax collections have averaged over 109% of the tax levy for the past seven years. At the end of 1942 net tax arrears and tax sale lands stood at $16.24 per capita.

Complete financial statistics on this and other municipal and industrial issues and additional investment suggestions will be furnished upon request.

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1. Windsor's population has jumped from 105,000 in 1939, to 141,300 at present . . . an increase of over 36,000 in four years, or 34%.

2. Windsor's per capita industrial wage is the highest in Canada. On September 1, 1943, it was $41.73 a week . . . $7.62 higher than the next city, Vancouver.

3. One daily newspaper, The Windsor Daily Star, covers the field thoroughly . . . circulation in 1939, 45,830 . . . in November 1943, 56,192 net paid.

4. Windsor's post-war prospects are bright. Canada and the Empire are building up a tremendous automotive backlog which our auto industry (and this means largely Windsor) will be required to fill. It will take some years to catch up, even at peak production.

The Windsor market should be a "MUST" on every advertising schedule in 1944.

The Windsor Daily Star

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Syndicate Sells $9.9 Millions of Debentures to Yield 3.07%

From Our Own Correspondent

MONTREAL.—Headed by A. E. Ames & Co., a syndicate of investment dealers, has sold a new issue of $9,680,000 Province of Quebec 3% sinking fund debentures at 99¼ and accrued interest, to yield over 3.07%.

Proceeds will be used in part to fund $6,975,000 of Treasury Bills maturing Jan. 17 and discharging obligations of $2,885,000 of the Corp. of Lake St. Louis Bridge.

The current issue matures July 15, 1956, callable on and after July 15, 1954, and is payable as to principal and interest in Canadian funds only. An annual sinking fund of 1% of the face value of the outstanding debentures will be set up.

These debentures will be direct obligations of the province and will be a charge as to principal and interest upon the Consolidated Revenue Fund.

MontrealPower Fighting Back

Asks Shareholders to Register Protest Against Expropriation

From Our Own Correspondent

MONTREAL. — Montreal Light, Heat & Power Consold. has addressed a circular statement to its shareholders calling upon them to register their protest with the local member of Parliament or Premier Godbout against the proposed expropriation of the company's electrical properties.

Proposed action by the province, the company states, is predicated on three counts: that the company is a monopoly, the desire to set up a hydro system similar to that in Ontario and that franchises and goodwill have been capitalized at millions of dollars.

Answer to Charges

In answer to these charges the company claims that no item of goodwill has ever appeared in the balance sheet of the company or any of its predecessors.

Considerable attention is also given by the company to the figure of $44 millions as being a fictitious value of properties. Along these lines the company points to a statement issued by the Public Service Board, which originally used the figure of $44 millions, to the effect that the Board is not attempting to set a value on assets of the company "for the purpose of the sale of such assets by expropriation or otherwise. All the Board is interested in is in setting a value for rate making purposes."

The Board's valuation was set on a basis of original cost, without regard to replacement cost. The company brings this out in its letter to shareholders and says that any move to expropriate on the basis of original cost would amount to confiscation.

Melchers Distilleries Extend Warrants Date

Melchers Distilleries Ltd. reports that the date of cancellation and termination of the fractional warrants for ¼ preferred and common shares of the company has been extended to Dec. 31, 1944.

Canadian Celanese Forms Plastics Div.

R. Stanley Rogers has been named sales manager of the plastics division of Canadian Celanese Ltd. Mr. Rogers, who has been associated with Celanese Corp. of America, will make his headquarters in Montreal.

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E. C. Leetham, C.A.
has pleasure in announcing the admission into partnership, as at January 1, 1944, of
John C. Newland, C.A.
and that from that date they will practice their profession under the firm name of
E. C. Leetham & Company
Chartered Accountants
University Tower Building, Montreal

DOMINION OF CANADA BONDS
MIDLAND SECURITIES LIMITED
TORONTO LONDON

G. E. WEMP

J. H. RANAHAN

TWO VICE-PRESIDENTS NAMED

G. E. Wemp and J. H. Ranahan, formerly assistant general manager and assistant vice-president in charge of sales respectively of Industrial Acceptance Corp., have been appointed vice-presidents of the firm. Mr. Wemp becomes general manager, while Mr. Ranahan becomes general sales manager.

January Dividends Show Slight Gains

Up $640,000 Over Same Month in 1943 — Several New Payers Reported and Only One Dividend Reduction

Preliminary estimates for dividends this January, as compiled from the records of The Financial Post, indicate a slight improvement over the corresponding month of 1943. Estimated total is $20,913,518 against $20,222,823 in Jan., 1943.

In contrast with recent months, only one company reduced its dividend, Nova Scotia Light & Power ordinary, with a cut from $1.50 to $1.25. Against this, there were three initial dividends, one increased payment, four payments on arrears and ten extra dividends.

Initial payments go to the holders of Beatty Bros. B, with 12½ cents; Investment Foundation common with 25 cents and Tooke Bros. new common with 25 cents. Beatty Bros. A increases its payment to 37½ cents, formerly 25 cents.

Arrears payments are being made on Dominion Coal preferred, $1.88; International Paints preferred, 50 cents; Moirs preferred, $6 and Standard Fuel preferred $1. List of payments for the month follows:

Monthly Dividends

	1944 $	1943 $
January	20,913,518	20,222,623

Company:	Rate $	Date	Amount $
Industrials and Utilities			
Acme Glove, pref.	3.25s	3	22,356
Agnew Surpass, pfd.	1.75q	3	15,331
Algoma Steel, pfd.	2.50s	1	52,387
Amal. Electric	.30	2	25,324
Amer. Cyanamid, A & B	.15q	3	395,854
Do., pref.	†.12½q	3	161,672
Atlas Steels, 1st pfd.	1.75q	1	3,937
Avalon Tele.	1.75a	3	16,544
Do., 7% pref.	.87½s	3	14,000
Do., 6% pref.	.75s	3	14,000
Barber-Ellis, pfd.	1.75s	15	2,100
Beatty Bros., A	.37q	3	14,430
Do., (B)	▪.12½	3	12,500
Do., 2nd pref.	3.50s	3	23,786
Belding-Cort.	1q	3	7,495
Do., pref.	1.75q	3	15,142
Bell Telephone	2q	15	1,700,260
Biltmore Hats	.15q	15	12,000
Brantford Cord., pfd.	.32½q	15	11,589
Brazilian Tr., pfd.	1.50q	3	5,901
B. C. Elec. Pr. & G., p.	1.50q	3	75,000
B. C. Elec. Rly., p.	2½%	15	174,000
B. C. Power, A	.50q	15	500,000
B. C. Tele., pfd.	1.50q	3	15,000
Building Products	.15q	3	72,507
Burlington Steel	.15q	3	21,000
Canada Bread, pfd.	1.50q	3	18,750
Do., (B) pref.	.62½q	3	15,625
Can. Nor. Power	.15q	25	60,000
Do., pref.	1.75q	15	96,250
Canada Packers	1q	3	200,000
Canada Starch, c.	.50	15	29,662
Can. Steamships, pfd.	1.25s	3	286,562
Can. Breweries, pfd.	.85q	1	148,750
Can. Canners	.12½q	3	17,223
Do., 1st pref.	.25+.05q	3	57,261
Do., 2nd pref.	.15+.05q	3	70,982
Canadian Car, pfd.	.53q	10	147,340
Can. Converters	.50q	31	8,667
Can. Cottons	1.50q	3	41,257
Do., pref.	1.50q	3	50,109
Can. Fairbanks, pfd.	1.50q	15	16,893
Can. Food Prod.	.50q	1	12,230
Can. Gen. Electric	2q	3	377,690
Can. Industries, pfd.	1.75q	15	81,375
Can. Light & Pr.	.50s	15	16,624
Can. Westinghouse	.50q	1	273,000
Can. Wire. Box	.37½q	3	19,093
Capital Estates	†.10	15	23,777
Carnation, com.	†.50	3	304,754
Do., pref.	†1	3	50,000
Cel. of Amer., pr. pf.	†1.25q	1	47,137
Do., 7% pref.	†1.75q	1	288,431
Do., 2nd pref.	†1.75q	1	259,312
Comm. Alcohol	.05	15	10,025
Do., pref.	.10q	15	5,000
Cons. Bakeries, ord.	.20q	3	63,688
Consumers' Gas	2q	3	291,104
Dominion Coal, pfd.	▴1.88	2	409,574
Dom. Foundries	.35q	3	127,754
Dominion Glass	1.25q	15	53,125
Do., pref.	1.75q	15	45,500
Dom. Oilcloth	.30q	28	210,000
Do., extra	.10	28	70,000
Dom. Textile	1.25q	3	337,500
Do., pref.	1.75q	15	33,960
Dom. Woollens, pfd.	.60	3	38,106
East. Bakeries, pfd.	1q	15	5,000
Eastern Steel, pfd.	.25q	1	4,500
East. Twp., Tele.	.25q	15	2,639
Easy Washing	▪.25	3	7,655
Do., pref.	.17½q	3	1,125
Foundation Co.	.35	21	29,610
Freiman, A. J., pref.	1.50q	1	13,156
Gatineau Pwr., pfd.	1.38	1	48,300
Do., 5% pref.	1.25q	1	152,450
Goderich Elev.	.25s	3	21,001
Do., extra	.25	3	21,001
Gordon & Belyea, pfd.	1.50q	3	1,821
Gt. Lakes Pwr., pfd.	1.75	15	13,125
Greening Wire	.15q	3	28,500
Guard. Realty, pf.	.50	15	5,000
Harding Carpets	.10s	3	17,493
Holt Renfrew, pfd.	3.50	15	35,000
Hudson's Bay, pfd.	2½%	1	155,000
Hunts, A, B	.50	3	16,828
Inter City Baking	‡1	31	21,145
Intercol. Coal	1s	3	10,000
Do., pref.	4s	3	7,932
Intern. Bronze	.20q	15	20,000
Do., pref.	.37½q	15	37,500
Intern. Metal, c.	.25	3	47,078
Int. Milling, 4% pfd.	†1	15	55,886
Intern. Paints, pfd.	1a	12	42,000
Do., arrears	.50	12	21,000
Intern. Power, pfd.	1.75q	3	140,000
Jam. Pub. Service	.17q	3	22,950
Do., pref.	1.75q	3	13,125
Lang, J. A.	.17½q	3	17,500
Maritime Tele.	.17½q	15	70,498
Do., pref.	.17½q	15	26,250
Melchers Distil., pfd.	.30s	17	37,500
Modern Contain.	.30q	3	7,500
Do., pref.	1.37½q	3	4,125
Moirs, pref.	▴6	15	58,500
Montreal Power	.38q	31	1,705,832
Montreal Telegraph	*.48	15	24,000
Moore Corp.	.55½q	3	235,589
Do., extra	.66½	3	282,283
Do., pref., A, B	†1.75	3	52,357
Murphy Paints	.20q	1	13,760
Do., pref.	1.37½q	1	4,812
Nat. Breweries	.50q	3	360,686
Do., pref.	.43q	3	47,730
Nat. Grocers, pfd.	.37½q	1	53,949
Nat. Steel Car	.25q	15	175,500
N. B. Telephone	.13	15	83,028
Nor. Ont. Power	.12q	25	28,803
Do., pref.	1.50q	25	37,474
N. S. Lt. & Pr., ord.	1.25q	3	43,153
Ogilvie Flour, c.	.25c	3	150,000
Ottawa Elec. Rly.	.50q	3	17,598
Ottawa L. H. Pr.	.15q	1	21,000
Do., pref.	1.25q	1	21,250
Page-Hersey	1.25q	2	217,845
Porto Rico Pr., pfd.	1.75q	3	17,500
Power Corp., pref.	1.50q	15	75,000
Do., 2nd pref.	.75q	15	75,000
Price Bros., pfd.	1.37½q	1	86,409
Provincial Paper, pf	1.75q	3	61,250
Riverside Silk, A	.50q	3	15,000
Robin, J. & Whit., pfd.	3	3	25,440
Robertson, P. L.	.50	1	30,030
Do., pref.	.62½q	1	3,753
St. John Drydock, p.	1.37½q	3	4,581
St. Law. Corp., A, p.	.25q	15	72,044
St. Law. Paper, pfd.	.75q	15	101,670
Scythes & Co.	.50s	15	12,500
Do., extra	.50	15	12,500
Do., pref.	.87½s	15	10,500
Sher.-Williams, pfd.	1.75q	3	60,550
Smith, H. Paper, pfd.	1.50q	20	107,555
South Can. Pwr., pfd.	1.50q	15	106,333
Stand. Fuel, pfd.	1	1	11,560
Do., arrears	1	1	11,560
Stand. Radio, A, B	.10q	10	21,500
Stedman Bros.	.15q	3	13,500
Do., pref.	.75q	3	4,500
Supersilk H., pfd.	2.50s	3	11,132
Tamblyn	.20q	3	22,400
Do., pref.	.62½q	3	3,750
Tip Top Tailors	.07½q	1	9,000
Do., pref.	1.75q	1	17,216
Tooke Bros., c.	▪.25	2	7,331
Tuckett Tob., pref.	1.75q	15	35,000
United Fuel, A, pf.	.75q	3	67,500
Viau, pref.	1.25q	3	11,825
Wabasso Cotton	1q	3	69,903
Western Grocers	.75q	15	12,707
Do., pref.	1.75q	15	20,899
Weston, Geo., c.	.20q	3	80,884
Willson Stat., pfd.	1.25q	15	5,000
Wilsil	.25q	2	33,925
Total			14,263,254
Mining Companies			
Anglo-Huronian	.10	21	150,000
Bralorne Mines	.20q	15	249,400
Do., extra	.10	15	124,700
Central Patricia	.03	3	75,000
Cochenour-Willans	.03	15	88,848
Dome Mines	.40q	29	800,000
Inspiration	.02	15	40,000
Lake Dufault	.02	15	46,220
McIntyre Porc.	1.11	3	885,780
Moneta Porc.	.02	15	50,877
O'Brien Gold	.04	29	130,000
Paymaster	.01	10	86,290
Preston E. Dome	.05q	15	150,000
Premier Gold	.01	15	50,000
Proprietary M.	.08	7	73,558
Sheep Creek	.03	15	56,250
Sigma Gold	.30	28	300,000
Silbak Premier	.02	25	50,000
Sylvanite Gold	.03	15	98,985
Wr.-Hargreaves	.06¼	3	343,750
Total			3,849,658
Oil Companies			
British Amer. Oil	.25q	3	693,160
Brown Oil, debs.	2¼%	1	8,484
Canadian Oil, pref.	2q	3	40,000
McColl-Fron.	.15	31	135,000
Do., pref.	1.50q	15	114,186
McManus Pete., p.	.30s	3	4,610
North Star Oil, pfd.	.08¾	2	17,500
Supertest Pete., ord., c.	.50s	3	55,000
Do., pref. (B)	.75s	3	5,880
Thayers, pfd.	2	1	18,970
Total			1,092,790
Financial			
Bk. of Nova Scotia	2.50q	3	300,000
Brit. Mtge. Trust	4s	3	40,000
Canada Life	5q	3	50,000
Can. Perm. Mtge.	2q	3	140,000
Canada Trust	3s	2	30,000
Canadian Fire	2s	3	40,000
Can. For. Invest., pfd.	2q	1	3,740
Can. Gen. Invest.	.15q	15	90,088
Can. Indemnity	4s	3	20,000
Central Can. Loan	2q	3	50,000
Chartered Trust	1q	3	10,000
Crown Life	3%q	3	8,353
Debent. & Sec., pfd.	2.50s	3	6,357
Dominion Fire	3s	1	9,000
East. Can. Savings	1.50q	2	11,250
Eastern Trust	2q	1	20,000
Excelsior Life	4%s	3	8,000
Ensign Insur.	1.50s	1	7,500
General Trust, pfd.	1.25q	15	13,750
Gt. West Life	3.75q	3	37,500
Guar. of N. Amer.	1.50+2.50	15	24,368
Guaranty Trust	1.25	15	3,750
Guelph & Ont. Inv.	1.25s	3	24,130
Guelph Trust	1.25s	3	7,562
Huron & E. Mtge.	1%q	3	50,000
Imperial Life	3.75q	3	37,500
Indust. Mortgage	1s	2	12,700
Do., extra	.50	2	6,350
Invest. Found.	▪.25	15	17,500
Do., pref.	.75q	15	20,785
Lambton Loan	1s	3	15,795
Do., extra	.50	3	7,897
Landed Banking	1q	3	10,000
Manufacturers Life	6s	3	90,000
Midland Loan	.40s	2	14,400
Monarch Life	12%	3	20,826
Mtl. C. & D. Bank	3q	3	60,000
Do., extra	1	3	20,000
National Trust	2q	3	60,000
Ont. Loan & Deb.	1.25q	3	50,000
Real Estate Loan	1s	2	5,000
Sterling Trusts	1.50s	3	12,060
Sun Life Assur.	3.25q	1	65,000
Tor. Gen. Trusts	1q	3	30,000
Toronto Mortgage	1.25q	3	24,662
Traders Finance, rts. A	1a	3	13,851
Do., B rts.	1a	3	6,388
Do., pref.	1.50q	3	36,853
Trusts & Guarantee	1s	3	12,675
United Bond Share	.25	15	6,589
Do., extra	.10	15	2,635
Waterloo Trust	2.50s	2	25,000
Western Assur., pfd.	1.20s	2	18,000
Total			1,707,816
Grand total			20,913,518

q—Quarterly. s—Semi-annually. a—Annually. †Payable in N.Y. funds. ▴On arrears. ▪Initial. *Net after corporate income tax. ‡Bonus.

Second Canadian Int. Investment's Stock Up

Second Canadian International Investment Co.'s report for the year ended Nov. 30 last shows a net income of $26,434. This is the largest on record and compares with $21,863 the year before. Further improvement also is reported in financial position. Book value of investments at the end of last November was $353,640 and market value $446,000. This contrasts with $398,733 and $392,100, respectively, at the close of the previous fiscal year. Break-up value of the stock increased during the year from $4.90 to $7.11 a share. In addition the company reduced its secured loans from $100,000 to $50,000.

Power Corp. Group Output Records Drop

Power Corp. of Canada's controlled and affiliated companies report an aggregate output in November of 257 million kw.h. of electrical energy. This represented a decrease of 1,891,756 kw.h. from the same month of the preceding year.

	November 1943	November 1942
B. C. Power	78,354,730	71,867,066
Canada Nor. Pwr.	45,721,127	50,375,387
East Kootenay Pwr.	8,424,320	10,233,602
North. B. C. Pwr.	2,079,460	1,750,628
South. Can. Pwr.	27,021,740	26,128,550
Winnipeg Electric	93,514,000	96,651,900
	255,115,377	257,007,133

Power Output To Be Up 14%

New Record Set in 1943; Will Push Rural Plans, Says James Wilson

From Our Own Correspondent

MONTREAL. — Total kilowatt-hour output of the Quebec electricity utility systems for 1943 may reach 23,600 millions, a gain of 14% over the record achieved in 1942, according to James Wilson, president of Shawinigan Water & Power Co.

This large increase in power load of the combined systems, Mr. Wilson points out, was due to a variety of causes, but chiefly to co-operation of various government authorities; elimination of electric steam boiler load; co-ordination of existing transmission lines into a general grid system; added water storage capacity; and strengthening of existing transmission systems by additional trunk line facilities to transmit energy where needed.

Notwithstanding emphasis given to vital requirements of war industries, the power companies have been able to maintain their ordinary services with the exception of such minor restrictions as had to be enforced in street lighting and outside commercial display advertising.

Plans for Rural Service

Only curtailment the power companies regret, says Mr. Wilson, is the one enforced upon them by the scarcity of essential war metals, namely, pre-war planned extensions into the rural areas of Quebec.

"As soon as practicable," he added, "rural electrification programs should be resumed vigorously. There is no good reason why the great majority of the farmers of Quebec should not continue to receive the most efficient and economical electrical services on the continent. Herein lies one of the most important opportunities for public service that is open to the power companies. In the Province of Quebec, hydro-electric energy—the silent partner of industry—must become in equal measure the silent partner of agriculture."

Burry Biscuit Corp. announces the special shareholders' meeting scheduled for Dec. 14 has been postponed to Jan. 18, 1944. Purpose of a previous adjournment from Dec. 1 was to allow Canadian shareholders to determine their tax liability under the recapitalization plan to be discussed at the meeting. The plan is designed to liquidate arrears on present preferred stock, which amount to $13.50 a share, and provides for exchange of five new 6% $12.30 par value preferred shares for each old 6% $50 preferred share held.

B. A. Oil Co. Floats Bonds

New Issue of $3 Millions Based on Clarkson Refinery

A new issue of $3 million serial debentures of the British American Oil Co. has been placed through A. E. Ames & Co. Ltd., to provide funds to reimburse the company for final expenditure on the large new refinery at Clarkson, Ont., and to provide the required working capital for operation of the plant.

The issue is dated Dec. 15, 1943, and consists of ten-year 2½% and 3¼% serial debentures maturing $250,000 per annum Dec. 15, 1944 to 1951 inclusive, and $500,000 per annum Dec. 15, 1952 and 1953. The debentures carry a coupon rate of 2½% for the years 1944 to 1948 inclusive and 3¼% for the years 1949 to 1953 inclusive. Interest is payable June and Dec. 15 in Canadian funds.

Denominations are $1,000 bonds only.

The debentures are callable in the first 5 years at 100½ and in the last 5 years at 101. Trustee is the Chartered Trust & Executor Co. Ltd., Toronto. Security and other provisions are the same as the company's previous issues.

B. A. Oil also advises that it has established transfer agencies in the United States for the convenience of shareholders in that country. The transfer agents are: Registrar and Transfer Co., 2 Rector St., New York, N.Y., and 15 Exchange Place, Jersey City, N.J., and the Girard Trust Co., Broad and Chestnut Sts., Philadelphia, Pa.

Shares of the company are fully transferable at any one of its transfer offices, either in the U. S. or Canada.

Quebec Pulp Workers Wage Boost Approved

Workers in the pulp and paper industry of Quebec have been granted a 5 cent an hour wage increase by the Regional War Labor Board.

Announcement followed a series of talks among representatives of the International Brotherhood of Pulp, Paper and Sulphite workers, and paper and pulp industries and the Board. Wages in those industries averaged from 45 to 47 cents an hour and the workers were asking for wages equal to those paid in Ontario.

It was also announced that the Board was studying the differences in wages scales in pulp and paper industries of both provinces and that the cost of operations will be taken into consideration before drafting a new wage scale.

VICTORY LOAN BONDS
BELL, GOUINLOCK & CO.
LIMITED
MONTREAL TORONTO WINNIPEG

CANADIAN MUNICIPAL AND CORPORATION SECURITIES
F. H. DEACON & CO.
Business Established 1897
Members Toronto Stock Exchange
197 BAY STREET PHONE ELGIN 3401

Second Inter-State Royalty Corp. reports that investments had a book value of $298,069 as at Nov. 30 last. Gross income from royalties since acquisition amounted to $78,278 to Oct. 31, 1943, and the reserve for depletion totalled $21,526 to the same date. During October the company had a gross royalty income of $473, while the accumulated royalty income for the year 1943 amounted to $7,988.

"Important and Confidential"
A Will is not merely an instrument for disposing of property. It is in many cases the charter on which the business of providing for dependents' future is operated. As such, it should be most carefully planned and should name a competent executor able to carry on indefinitely.
Does your Will comply with these basic requirements? Does it provide all possible safeguards? Our experience and knowledge of executorship can help you revise your Will for greater efficiency and protection. Your enquiry is invited, in confidence.
WE GO ON FOREVER
The EASTERN TRUST Company, Head Office - Halifax, N.S.
Branches at
Charlottetown Moncton St. John's, Nfld. Saint John, N.B. Montreal Toronto

NEW ISSUE
(Refunding)
$9,680,000
Province of Quebec
3% Sinking Fund Debentures
To be dated January 15th, 1944 To mature July 15th, 1956
(Callable on or after July 15th, 1954)
Principal and half-yearly interest (January 15th and July 15th) payable in lawful money of Canada in the Cities of Quebec, Montreal, Toronto, Winnipeg or Vancouver, at the holder's option. Coupon debentures in the denominations of $1,000, $500 and $100. Debentures may be registered as to principal only. These debentures will be subject to redemption at the option of the Province as a whole but not in part at 100% of the principal amount and accrued interest on July 15th, 1954, or on any subsequent interest payment date on at least sixty days' notice.
Legal Opinion:
Messrs. Montgomery, McMichael, Common, Howard, Forsyth & Ker.
In the opinion of Counsel, these debentures will be direct obligations of the Province of Quebec and will be a charge as to principal and interest upon the Consolidated Revenue Fund of the Province. This issue is being made for the purpose of renewing a loan effected by the Province by the issue of Treasury Bills in a principal amount of $6,795,000 maturing January 17th, 1944, which loan was effected for the purpose of temporarily renewing temporary loans heretofore effected by the Province to meet a loan in a principal amount of $5,000,000 maturing November 1st, 1943, less accumulated Sinking Fund of $175,000, and a loan in a principal amount of $1,970,000 maturing November 15th, 1943, and for the purpose of discharging obligations of The Corporation of Lake St. Louis Bridge in a principal amount of $2,885,000 under the authority of the Act 6 George VI, Chapter 44, Section 13.
A Sinking Fund of an amount at least equal to 1% of the face value of the outstanding debentures of this issue will be provided annually.
Particulars of the Funded Debt and other financial statistics of the Province will be supplied on request.
PRICE: 99.25 and accrued interest, yielding over 3.07%
We offer these debentures if, as and when issued and received by us and subject to the approval of counsel above mentioned.
It is expected that debentures in interim form will be ready for delivery on or about January 18th, 1944.
The books of the issue may be closed at the discretion of the Syndicate Managers at any time without notice.
The right is reserved to reject or allot applications in whole or in part.
A. E. Ames & Co. Limited — The Dominion Securities Corporation Limited — Wood, Gundy & Company Limited
W. C. Pitfield & Company Limited
Gairdner & Company, Limited
Lagueux & DesRochers Limitée
Société Générale de Finance, Inc.
J. E. Laflamme, Limitée
Dyment, Anderson & Co.
Brawley, Cathers & Company
Paul Gonthier & Co., Limited
Société de Placements Incorporée
Gameau, Boulanger, Limitée
J. C. Boulet, Limitée
Clément, Guimont, Inc.
Oscar Dubé & Cie, Inc.
Burns Bros. & Denton, Limited
Matthews & Company
Desjardins, Couture, Inc.
A. M. Ramsay & Company
P. E. Letourneau, Inc.
Canadian Alliance Corporation Limited
Hamel, Fugère & Cie, Limitée
W. C. Harris & Co., Limited
La Corporation de Prêts de Québec
R. A. Daly Co., Limited
J. C. Rogers & Company, Limited
Crédit Anglo-Français Limited
Ormsby Doherty & Company
Crédit Interprovincial Ltée
January 10, 1944.

The Editorial Page . .

Preventing Employment

Because of its effect on business, hence on the capacity of business to give employment, hence on the life and welfare of every Canadian, the Excess Profits Tax is a crucial issue. It was raised by Charles St. Pierre, president of the Banque Canadienne Nationale, during his address at the annual meeting. Said Mr. St. Pierre:

"If companies are to depend on the refundable portion of excess profit taxes to renew their machinery and equipment, they are running a grave risk of being outdistanced by competition from countries where imposts are less onerous."

Whether 100% taxation of excess profits was ever justified on economic grounds is debatable. But in a nation girding itself for war and divesting itself of many of the things that make life pleasant, the 100% levy undoubtedly helped forestall any possibility of corporate profiteering.

But progressively through this year and the next, Canadian industry will likely be shifting gradually back to peacetime work. And it is imperative that taxation be adapted to the needs of the times. Industry must be allowed the resources to enter new fields, to design new products, to adapt wartime equipment and plant to enrich the Dominion's peacetime life; to give high levels of employment.

Besides making it most difficult or impossible for an industrialist to accumulate suitable resources for expansion—or even for the maintenance of business health—EPT makes the odds against new ventures most unfavorable. If a new venture in business proves successful, the government in most cases takes all but 20% of the proceeds, and that 20% is not hard cash, but a refund that will accrue to the enterpriser at some uncertain future time.

If the venture fails, the enterpriser has to take the entire loss. Such a "heads we win, tails you lose" set-up is hardly likely to attract many players. It only worked in wartime because of patriotism and the elimination of a great part of the manufacturer's risk when all orders were booked in advance and all goods produced were certain to be marketed.

But under the conditions facing industry in 1944, when the nation needs vigorous enterprisers, it is obvious that 100% EPT has outlived what usefulness it had. The Government may still need almost as much as it did in taxes, but if so, it is time to find a source of taxes which does not prevent people having jobs.

What Made England

What made England? Here is the answer of Rt. Hon. Lord Queenborough, president of the Royal Society of St. George, in a recent statement:

"The history of the English has been one of sturdy self reliance in the individual members of the race, fostered and nurtured through the generations. The early Empire of the Elizabethans was founded and has been, through the centuries, maintained by a race taught to rely upon the personal initiative and qualities of the individual, and not to rest upon the State. Freedom of political and religious conscience was established after many bitter struggles and that freedom tended to give the English their extraordinary variety, which has been part of the secret of the national greatness."

The planners of a new world should bear that in mind. Mankind, along with all other animal and plant life, pays an enormous price for security and safety when it is guaranteed by others.

The forward steps in mankind's history have been those periods in which individuals, self-reliant and free in mind and body, have had the daring and energy, and the privilege of using that daring and energy, for their own and for the public weal.

Womb to tomb security plans must not forget that basic fact.

Industry's Most Important Problem

"Industry's Most Important Problem is Marketing," is the title of a very important article appearing on this page under the heading The Postwar World. Author is Thomas B. McCabe, president, Scott Paper Co., Chester, Pennsylvania.

He points out that science and industry have virtually licked the problem of production; shows that the biggest problem ahead is distributing goods

The Financial Post's Platform for Canada

1. *All manpower and resources, efficiently used, wherever needed, to win the war.*
2. *Pay-as-we-go policy, to the utmost possible limit, to avert inflation.*
3. *Elimination of wasteful spending by public bodies or private individuals.*
4. *Planning NOW for postwar, by government and business, to ensure fullest employment and improve social standards through individual initiative and competitive enterprise.*
5. *Orderly and economically sound disposal of surplus war stocks, plant, machinery, etc.*
6. *Planned and orderly demobilization of armed forces and war workers so they may be reinstated in productive civilian life with minimum dislocation.*

Generous treatment for incapacitated fighting men, to ensure their rehabilitation and reward their sacrifices.

if we are to have continuous high levels of employment; if the war aims of freedom for all are to be achieved.

The author's comments on advertising are significant and challenging. "Advertising, one of the most powerful forces in merchandising," he says, "has never been subjected to what we term the scientific approach, except in a very timid and halting manner . . . Advertising is to merchandising what electricity is to production."

Nearly everyone will admit the fundamental importance of advertising in carrying good, useful, and desirable things to a constantly widening mass of people. Nearly everyone will admit that advertising has been the key factor in raising and maintaining quality of products, in lowering prices and in enforcing high principles of business conduct.

Undoubtedly, there is some good work being done in the study of advertising as "one of the most powerful forces in merchandising."

In the fields of physical science, the drive for new knowledge, new skills, goes on constantly. For the true scientist, knowledge and imagination constantly point to possible achievements in the future, not satisfaction with what has already been achieved.

Advertising may well accept the McCabe challenge. It is a young industry and it has a tremendous responsibility in the world ahead.

Realism About Russia

Risking censure from some quarters, the American weekly magazine, Colliers, came out with a few sobering facts in a recent editorial. Here are some of them:

"Russia has no freedom of speech or of press. You talk and think as the government wishes you to—or else. All the newspapers, magazines, book-publishing houses and radio stations are owned by the government, and naturally they sing Stalin's song exclusively. It remains to be seen how sincere have been Stalin's recent gestures at restoring a measure of religious freedom in Russia.

"The secret police (once the OGPU, now the NKVD) are still actively at work in Russia, and there are still large and reportedly brutal concentration camps open to receive lots of guests. One recent estimate puts the number of prisoners now in these holes at ten to twelve million.

"Russia's Red army shows more and more signs of becoming an old-time regulation European army in the tradition of Frederick the Great or Napoleon Bonaparte, with the best modern weapons and plenty of them. Gone are the soldier debates as to whether to obey an order."

There is nothing to be gained now or later, and much may be lost, by developing an ostrich attitude towards Russia. The sooner we face facts the more chance there will be of real and permanent peace after the war.

There is and should be tremendous admiration for the fight being waged by the Russians. They have shortened the war by years, may well indeed have decided the final outcome. But this should not blind us to the fact that their system is not what most Canadians, Americans or Britons want. If the Russians prefer theirs to our way of living, that is their business.

The important thing for us to remember in our dealings with Moscow is that we are up against hard boiled realism. The Russians want from us not hero worship, but practical co-operation.

The Postwar World . . .

In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.

Industry's Most Important Problem is Marketing

The following is a digest of an address by Thomas B. McCabe, president of the Scott Paper Co., Chester, Pa., given recently to a conference of the Society for the Advancement of Management at the Wharton School of Finance and Commerce.

Certainly this war is not being fought to restore the "good old days" when we had idle men, idle money, idle plants, idle opportunities.

It is obvious that industry's most important problem is marketing. We have mastered mass production, but we have not built up peacetime mass consumption to take the output of our industrial machine running at top speed. The solving of this problem will go far in solving the postwar problem of providing jobs.

The whole distribution system has been seriously and dangerously paralyzed. What we call "markets" have been sacrificed to a large degree to war needs. It will take tremendous sums of money invested in research, sales work and, especially, consumer advertising, to repair the damage to markets and distribution.

But it must be done, done wisely and systematically, if we are to utilize the impetus of the first great spending wave after the war to carry on through years.

It is obvious that sales executive staffs will have to be improved and enlarged, and that the chief official in charge of marketing will, of necessity, have to be a much broader gauged man than ever before. Marketing research should become as important as chemical or physical research and the right executive should be found to make it so. Isn't this a field for further exploration by the universities?

Advertising, one of the most powerful forces in merchandising, has never been subjected to what we term the scientific approach, except in a very timid and halting manner. I mean getting down to the roots and studying cases.

It might be said that advertising is to merchandising what electricity is to production. Where would we be in this war without electricity? The prospects of electronics in the postwar period are positively thrilling, but what do we hear about postwar advertising? What great universities, laboratories and wizards are studying merchandising, especially advertising, to the same extent as electricity? And, why not

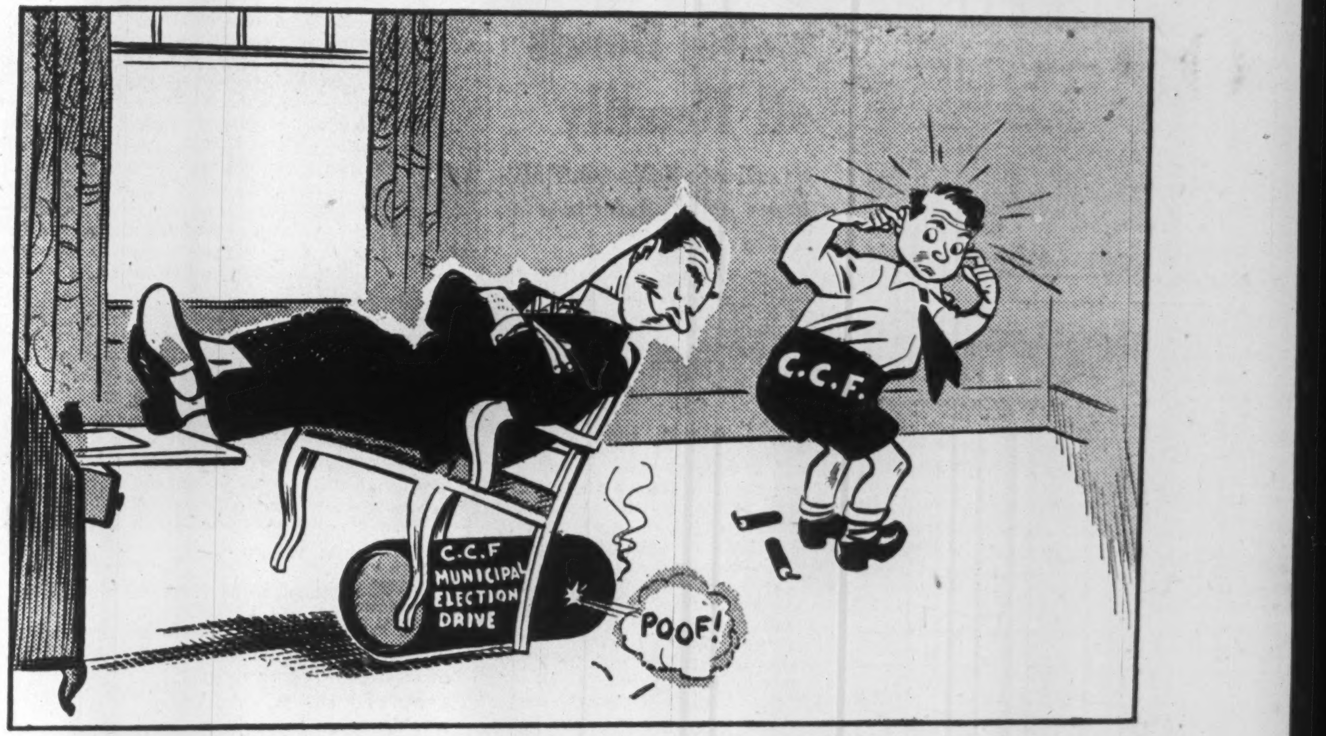
In order to attain mass consumption we must drastically alter our old concepts of marketing and production, especially those which in practice tend to limit production and create artificially high prices. Unless we change our thinking there seems to be very little hope of ever employing all the potentialities of our huge production machine, operating at full time. Otherwise I can see no way of preventing mass unemployment. The executive leadership for carrying out such a program must be bold, courageous and resourceful.

In discussing sources of executives for postwar business, the speaker said in part:

Each business has a considerable portion of its men in the armed services. From personal contacts and correspondence with many of these men I have observed a very rapid development in the qualities of leadership. Many of them are gaining a type of administrative experience in a short period of time that we could not possibly give them.

The men in business on the home front have had to grapple with some of the toughest problems in their careers especially in manufacturing and general administration. Almost every conceivable difficulty has arisen, including labor turnover, absenteeism, lack of materials and a multitude of government rules and regulations.

The solving of these unusual problems has made them more resourceful; taught them that the word "impossible" belonged to the pre-war era and has compressed into a short period of time the managerial experience of a life time.



PRETTY DAMP SQUIB, THAT TURNED OUT TO BE!

Cartoon by Grassick.

Post-Scripts . . . .

Business Doctor

When the Crown Assets Allocation Committee held its first meeting at Ottawa recently to organize, and to formulate policy on the disposition of surplus war materials plant, equipment and supplies, the meeting was chaired by Glasgow-born James P. Pettigrew, assistant deputy minister of the Department of Munitions and Supply.

J. P. PETTIGREW

Mr. Pettigrew has been named temporary chairman of this committee, composed largely of top-flight civil servants and charged primarily with advising the government on matters affecting the disposal of surplus war goods.

As a young man of 20, Jim Pettigrew was sent by his employers, the Linen Thread Co., to France during the last war to allocate critical supplies of flax among industrial users in association with the French Government. He stayed in France until 1923, when he was sent to Montreal by the same firm to look after its Canadian operations.

Two years later he set up in business himself in work that was much to his liking, namely the reorganization of "sick" business. He was associated in this work with the accounting firm of McDonald, Currie and one of his most important jobs was the reorganization of P. T. Legare. After that company was reorganized, Mr. Pettigrew became general manager of the Montreal end of the business. That was in 1935. Two years later he took over the general managership of the J. W. Windsor Co. then doing a considerable business in canning of lobster and other foods for home and export demand.

It was here that the late Gordon Scott, on the advice of McDonald, Currie came seeking him in the spring of 1940, to come to Ottawa as executive assistant to King Sheils, newly-appointed deputy minister of the Department of Munitions and Supply. The following year he was named assistant deputy minister.

Mr. Pettigrew's fetish is business organization and administration. Ever since the early days with Linen Thread Co. in Scotland, he has been interested in the administrative side of business and business problems. He has been one of the important but little-publicized personalities who have played a strategic part in building DMS into a Gargantuan but smooth-working organization over the last few years.

Now that most of the headaches on the development and production side are past Mr. Pettigrew looks forward with some enthusiasm to helping pave the way for the day when the big machine he has helped create will be unwound and disposition made of tens of millions of dollars worth of assets which have accumulated in government hands under duress of war in the last few years.

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Career Diplomat

Across the official desks in the Department of External Affairs passes more correspondence and communications on Newfoundland than on any other country except the U. K. and the U. S.

DR. KEENLEYSIDE

Because his "sphere" is North America, South America and the Far East, most of these communications flow directly to or from Dr. Hugh Keenleyside, assistant under-secretary.

With the transfer of Charles Burchell as Canada's High Commissioner from Newfoundland to South Africa, Dr. Keenleyside is going to Newfoundland for two months to live and move among the people with whom he is in constant communication; learn at first hand more about their problems, their achievements, hopes their fears.

He will be acting High Commissioner from Canada to Newfoundland until a permanent appointment is made. Apart from transatlantic landings, his only previous visit to Newfoundland was as a member of the Permanent Joint Defense Board.

Hugh Keenleyside is a career diplomat who always planned to enter Canada's "foreign office." Though he was born in Toronto, his parents moved west to British Columbia six months after he was born.

His father, E. W. Keenleyside, was one of the pioneer business leaders of B. C., who, until his death a short time ago at 78, was branch manager for the North American Life. The toss of a coin decided whether "E.W." would stay in B. C. with the North American or go to Shanghai to represent the Sun Life. British Columbia has been very glad that Shanghai lost.

Hugh Keeleyside lived and was educated in Vancouver until 1920 when he went to Clark University in Massachusetts for his M.A. and his Ph.D. He chose Clark because it was one of the top universities on this continent in history and international relations. From 1923 to 1928 he lectured at Brown, Syracuse and British Columbia Universities, preparing for a chance to link up with Canada's Department of External Affairs.

He took his examination for appointment in June, 1928; was appointed third secretary three months later and then in Jan., 1929, was promoted to second secretary. By May of the same year he was first secretary and sent to Tokyo to open the Canadian Legation there.

Except for a break at the time of the Ottawa Conference in 1932, he remained in Tokyo for seven and a half years, became an outstanding Canadian authority on Japan so far as Canada was concerned.

Since then he has been one of the most important members of the East Block secretariat, entrusted with such important responsibilities as the secretaryship of the Royal Visit, 1939; secretary and member of the Canadian section of the Permanent Joint Board of Defense and a score of other official appointments apart from his general responsibility for the Americas and the Far East.

Like his father before him, Hugh Keenleyside has always been closely associated with YMCA work. In 1904 he was named vice-president of the National Council of the "Y." More recently he has been vice-chairman of the Canadian Youth Commission. He had a lot to do with the founding of Carleton College in Ottawa and is vice-chairman of the Board of Governors. Besides education, his other hobby is cooking and his secret ambition is to become a full-fledged member of the cook's union.

Newfoundlanders will find a marked difference between bluff Charlie Burchell and debonair Hugh Keenleyside. But both men have this in common—a deep-rooted eagerness to understand the problems of Britain's oldest colony and improve relationships between herself and Canada.

World Trader

Walter J. Weldon's present job bestows on him the title of vice-president and general manager of the Coleman Lamp & Stove Co., Toronto, a company whose products go all over the world—from the Eskimo igloo to the equatorial grass hut.

Walter Weldon's wanderings began from New York, where he started life the hard but approved way by selling newspapers. Of Irish descent, Mr. Weldon claims the United States as his birth place, but knows where to hang his hat in almost every corner of the globe.

Fairly tall, 5' 10", not too heavy, about 160 lb., Walter Weldon keeps in condition by the unconventional pastime of walking. Ten or twelve miles of a Sunday is a fairly routine stretch for Mr. and Mrs. Weldon. Outside of this, his hobbies are confined to summering at Balsam Lake in Ontario's Kawartha district, and to his constant interest in people and geography.

W. J. WELDON

Mr. Weldon's previous experience, as well as his present job, have made him one of the most "export-minded" businessmen in Canada, and have led to his unanimous election as president of the recently formed Canadian Exporters Association.

The Association began to take form last June, but it did not have its first formal meeting until Jan. 5, 1944. In the meantime it had grown to Dominion-wide scope with 211 firms, all Canadian exporters, on the roster of members.

Walter Weldon's experience in the export field dates from 27 years ago when he left for the east. His subsequent moves in the Orient sound like the itinerary of Mountbatten or MacArthur:—the Philippines, China, Burma, Siam, India, Java, Borneo and Japan. In Japan he learned to dislike and distrust the Jap, now refuses to have anything Japanese in his home and likens the Jap to a snake—both are small and hiss a lot, but a snake never pretends to be your friend before he strikes you.

Mr. Weldon's oriental globe-trotting was rounded out with travels in Europe, Mexico and South America, so that when he affirms his faith in the possibilities of the world markets he knows whereof he speaks. During the past 12 years, his company has been vigorous in the pursuit of foreign trade, a policy that Mr. Weldon thinks will benefit many other Canadian companies and is the only logical solution for Canada's greatly increased productive capacity.

He will also tell you that Canada is not going to have the export markets presented on a platter. In the world markets, he says, Canada is known principally for her natural resources, known as a supplier of raw materials. She will have to do a big selling job to acquaint the world with her manufacturing prowess, he says.

Other People's Views . . . .

The Canadian Editorial of the Week

Short Change for Mr. Coldwell

Halifax Chronicle

The decision of the C. C. F. to inject party political slates into municipal affairs has nowhere produced the results that the party appeared to expect. Most recent case of failure has been seen in Toronto where the Socialist Party suffered almost entire obliteration.

If the party's strategy in municipal elections was to succeed anywhere, it might have been thought likely to do so in Toronto, after the unexpected gains that the C. C. F. obtained in the last Ontario Provincial elections.

As the case is, one is driven to wonder whether socialism has not shot its bolt in Canada before it has even had its opportunity to shoot at the real mark of Federal supremacy. There appears to be little doubt that many who, in the past, have produced C. C. F. victories at the polls have been able to do so, partly because of the general apathy of large proportions of the electorate and partly because of the sentiment entertained by a number of voters that they would like to see a change.

There have been many who have believed that it might be good policy to give the C. C. F. a chance to do its worst, in order that the country might be cured of its propensity to develop new third parties. But that sentiment has been changing of late. The C. C. F., indeed, has been a little too confident, and, in consequence, a little too categorical to suit the average Canadian. When the irrepressible Mr. Winch declares: "The C. C. F. is doing what no other socialist party in Canada has ever been able to do—sell socialism to the people, and do it without watering it down," he promises too heady a brew for most of us. At any rate municipal electors, even in the west, appear to have decided to pass it up.

The Mail-box . .

Stop Share-pushing

We enclose herewith a typical type of what would appear to be a tipster sheet. This, as you will note recommends good stocks but most probably a client is, later on, recommended junk.

It is about time something was done in regard to this matter, otherwise it may seriously affect Canada's National War Finance efforts and the stability and contentment of the Canadian population after the war.

I have seen a considerable amount in your paper in regard to this business and cannot understand why, when Colonel Drew is Premier of the Province of Ontario, especially in view of the fact that he took such drastic action in regard to this when he was Security Commissioner, that something is not done now.

I think the public are just as much entitled to protection by the State from unscrupulous robbery by rotten bucket shop organizations as they are entitled to be protected by the police against having their personal possessions stolen from their homes.

As far as I know the particular people issuing this wonderful enclosure may be all right, but I certainly would not want to have anything to do with them.

Yours faithfully,

Kelowna, B.C. O. St. P. Aitkens.

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What The Papers Are Saying . . . . .

"An Outstanding Buy"

Simcoe Reformer

Here is a good sample of the kind of letters with which the share-pushing rascals of Toronto are flooding our mails:

"AN OUTSTANDING BUY (listed on the Toronto Stock Exchange), and selling now below $1. To the investor who has, available, speculative funds, and who is desirous of gaining profitable capital appreciation **free from income tax**, we will name, for those who return the attached coupon, the shares of this company . . . Fill in the attached coupon—mail today—use enclosed self-addressed envelope—no stamp needed. Shrewd investors are accumulating funds from the profitable purchase and sale of speculative securities for the purpose of paying income tax. Let us help you."

If you would like your name entered on a sucker list, just sign and return some such coupon as is mentioned above. The question is: Will you take the bait? Or, to change the metaphor, Will you walk into the parlor? The spider is waiting for you.

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Those Big Shots

Windsor Daily Star

It makes great political raw meat to blame the 50 "Big Shots" in Canada for bringing on the war, but it does stretch the imagination to get down to cold reason and figure out how 50 people in this small Dominion could plunge the whole world into war. By the way who are the 50 "Big Shots" anyway? We once had a list of that half century of names, but many of them have died and we are not sure whether the 50 still include those who have gone on, or whether reserves have been called upon to fill the gaps in the nominal roll.

Canadian businessmen did not want this war. They knew what all-out would mean. The factories have been going full blast, but the toll of life is still being taken and profits have been swallowed up by taxation. As most of the leading Canadian businessmen have sons or relatives in the fighting zones with the armed forces, they are hit as badly as any other families.

This war was caused by the Prussian ambition to dominate the world. It was the same in 1914 when the Prussians tried to conquer everyone else. They came back again in 1939 to try and do the same. Canadian businessmen and Canadian industrialists were not consulted by the Nazis about the war.

A lot of silly things are said in the course of a political campaign. But, this attempt to blame Canadian business and industry for starting the war is going a bit too far off the deep end.

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As Others See Us . .

The Future of Canada

The Huntsville Forester

Prof. Stephen Leacock, well-known economist and humorist, is writing a series of articles on "What's Ahead for Canada," in The Financial Post of Toronto. How far the learned Professor will lead us into the fogs of postwar planning is yet to be seen, but it is at least refreshing thus far to have him lay a firm foundation for his final conclusions, by giving us a bird's eye view of the great potential wealth of Canada, and the resources upon the development of which our future must be built.

Canadians know much too little of the vastness of their country, its absorbing history, and its great economic resources. The series in The Post promises to leave us all better informed about Canada, and prouder to be citizens of a country which has already accomplished so much in material and spiritual progress. There will be impatient waiting for the conclusions of Professor Leacock, on the great problems which face us after the victory has been won.

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Something New

The Daily News St. John's, Nfld.

A Mr. Owen Sassoon, writing from Montreal to The Financial Post of Toronto, pats the Commission of Government on the back for getting Newfoundland "out of the red" and then goes on to say: "I hope The Financial Post will put the true picture before its readers, especially as great pressure is being brought to bear on Newfoundland at present to secede from the Empire."

This is really something new although there is not much to be concerned about if Mr. Sassoon's information about a secession movement is no better than his knowledge about the accomplishments of the Commission system. Certainly we have not met anyone in this country who has a thought about secession and we can assure The Post's correspondent that he need have no fears on that account.

That is one question on which no poll is needed to determine popular feeling even if it were a material issue, which it is not. This country has been as proud of its loyalty to the Crown as of the fact that it is the corner stone of Empire. It would take a very great deal to change that feeling and certainly no pressure from without or within has been apparent or would be treated with anything less than anger or ridicule by the people of Newfoundland.

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Sayings of the Week

"The Germans can't be underestimated. It's a great mistake to do so."—*General Montgomery.*

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"America's infant, but most prolific industry, is postwar planning." — *Walter Weisenburger, Executive Vice-President, National Association of Manufacturers.*

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"The knowledge of when to insert and when to withdraw men from certain positions constitutes the highest order of leadership. The degree of fairness with which this is done will largely determine the esprit de corps of the organization." —*Thomas B. McCabe, President, Scott Paper Co.*

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Ottawa Faces Momentous Decisions in 1944

Postwar Planning, New Financing, Conversion, Further Subsidies

By KENNETH R. WILSON

Highly important decisions must be made in 1944 affecting postwar plans and programs.

From the federal viewpoint, the most important of these are decisions (1) as to the type of administration which is to take initiative and responsibility for postwar planning, and (2) the basis on which projects for reconstruction are to be financed.

A year ago, the government revamped its postwar planning machinery to bring it directly under the Prime Minister rather than under the Minister of Pensions and National Health. At that time, chief responsibility for co-ordination and study was given to an interdepartmental committee of civil servants called the Advisory Committee on Economic Policy, headed by Dr. W. C. Clark, Deputy Minister of Finance. The James advisory committee was charged with finishing up its studies as quickly as practicable.

The James Committee has now completed its work. But top-flight ministerial direction and drive to postwar planning has not yet appeared. A Minister of Reconstruction is hardly thought likely, perhaps not advisable unless the individual were a Number One or Two ranking minister with perhaps a portfolio such as President of the Privy Council (now held by Mr. King).

What may emerge to give strength and direction to postwar planning at Cabinet level is a reconstituting of the War Cabinet itself with responsibility given it and its secretariat for postwar affairs.

Financing Reconstruction

The problem of postwar finances is basic and highly critical. At present, considerable planning by municipalities, provinces, institutions and even corporations is hanging fire due to bewilderment as to what sort of Dominion-provincial fiscal relationships will exist after the war. How much, if anything, will the Dominion Government contribute to the "have not" provinces? And on what basis?

The Government's dilemma is how to avoid dangerous "ad hoc" arrangements without reopening the old sores which festered in the Rowell-Sirois debacle and which the war has covered over but certainly not healed.

Chief hope in this, as in all other contentious and provocative postwar constitutional and political questions, is that there will be an interval between the close of the war with Germany, and that with Japan. During such an interval, there will have to be extensive postwar programming and accomplishments, all of which might be carried on under the war emergency powers of the Dominion Government, since there can be no challenging of the War Measures and similar acts on the ground that the war has ended.

Postponing Evil Day

Admittedly this is no permanent solution and only a postponing of the day when Canada's divided constitutional personality will again emerge. However, such a period will force attention and possibly a settlement, without the danger of a complete and sudden collapse in federal authority such as might occur if the war with all our enemies were to end suddenly and at the same time.

One exception to lack of postwar decision, is the all-embracing order-in-council made public this month for creation of a permanent committee and corporation to dispose of surplus war equipment, materials and supplies. With millions of dollars' worth of plant equipment and supplies to be ultimately disposed of, the policies and procedure which will be laid down by this committee and its attendant Crown company are of the utmost importance to business.

At the moment the Government is stepping warily in this realm, anxious not to raise political antagonism, or the accusation that it is turning over government property at bargain sale prices to private industry.

Trade and Tariffs

With elections in prospect on every hand, it is likely that vitally important trade and tariff decisions which are of interest to almost every Canadian business will be postponed till late in the year and quite probably until 1945. About all that can be hoped in 1944, is that a lot of spade work will be done to bring into focus the preliminary studies which currency, trade and economic experts have been carrying on in London, Washington, Ottawa and other capitals during the past year.

Canada's view is that a good trade starting point would be achievement of a satisfactory multilateral arrangement for currency stabilization to provide essential "working capital" between the trading nations of the world and prevent the possibility of an immediate and possibly disastrous breakdown in international postwar trade. The argument is that if "working capital" is not provided through an international clearing house to finance short-run trade balances, then nations may quickly be forced to fall back on high tariffs, trade restrictions, quotas—the old and vicious pre-war or trade-stifling cycle.

Technically, the experts are probably quite correct in wanting to talk first about currency plans. Their view supports the obvious and important fact that in the postwar world tariff barriers of the old type may not loom nearly so large in importance as other types of trade barrier. What makes it difficult for the average businessman, facing 1944 with excess or potentially excess capacity in his plant, is the uncertainty which presently surrounds Canada's postwar trade prospects in most lines.

New Conversion Formula

Best consolation Ottawa can offer is (a) that leadership must come from USA, and there is little hope of getting a clear decision there till after Nov. 1944; (b) that the new "conversion" formula worked out jointly a few weeks ago by WPTB and DMS, does give industry reasonable freedom in making plans for export and civilian production when critical materials become available. This formula sets up three groupings under which a wide range of civilian goods can now be manufactured:

(1) High priority of materials, manpower and plant will be given in a few special cases such as washing machines, irons, alarm clocks which are considered in urgent need.

(2) If, as and when materials and metals which have been in short supply become available, they will be placed on the "free" list and can be used for all or any kind of production, without need of quota or permit of any kind.

(3) Where manufacturers can obtain supplies of "short" metals, they may obtain from the appropriate administrator, a permit to manufacture articles still on the banned list.

De-controlling Troubles

One of the biggest trade headaches of 1944 will be this problem of unwinding the controls of the past four years. The plan outlined above is designed, say the experts, to allow for the maximum ingenuity and initiative on the part of individual firms and the minimum of red tape. Still unsolved are pricing problems which arise when manufacturers start to manufacture civilian goods for the first time and find themselves in price ceiling difficulties.

So far as the ceiling itself is concerned, the Ottawa view is that "time" is probably now the stabilization program's best ally.

There is belief that under the new wage order, more responsibility is vested with the NWLB; that judicial interpretation is replaced by a more direct and personal relationship. It is hoped that this may work to the advantage of price control, though the dangers of widely differing interpretation in the hands of nine provincial or regional boards is freely admitted.

More Subsidies Coming

There is certain to be a much freer use of subsidies in the future than in the past, if these are necessary to keep the cost of living stabilized. This is because the old link between wage bonus payments and the cost-of-living index has now been removed.

Every attempt will be made to maintain inviolate the guiding principle that wage increases are not to be considered a valid reason for a price adjustment. The recent statement of Mr. Ilsley in which he justified the increase in coal prices from domestic mines, is an important document and states the government view in some detail.

Finally, there is the all-important question of supply.

Prospects are that increasing availability of metals for civilian use during 1944, will be offset by increasing scarcity in many food items, and in some of the basic raw materials such as coal. The food situation will be largely conditioned by crop and manpower conditions in 1944, with bumper crops needed to meet a still rising tide of domestic consumption on this continent and provide a margin for relief of occupied lands.

It may be that in 1944 we will see the beginnings of a critical postwar supply problem, namely the need for maintaining and perhaps even increasing rationing and restrictions to meet this relief and postwar demand. The setting up of UNRRA with a Canadian as chairman of the important committee on Supplies should serve to bring this problem into focus.

Permanent Forest Policy Hope of B. C. Probe

From Our Own Correspondent

VANCOUVER—The British Columbia Government has appointed Mr. Justice Gordon McG. Sloan as investigator of the province's $100-million timber industry, and a full-dress enquiry, possibly extending over a year, will shortly be undertaken, according to Royal Commission procedure.

Scope of the investigation is wide. Practically every conceivable phase of forest industries will be examined. From it may develop for the west coast province a new permanent forest policy designed to perpetuate the timber resources as a source of wealth on a sustained yield basis.

Special consideration will evidently be given to operating technique of loggers, which may prove one of the most contentious subjects before the commission.

The high-lead system, which for years has been standard practice in west coast woods, has resulted in a certain amount of wastage which conservationists have criticized. On the other hand, practical loggers declare that, in consideration of the nature of the country, it is the only economical way of getting out timber and that to dispense with it would seriously jeopardize the position of B. C. forest products in the markets of the world by increasing costs of production.

Favor Reforesting

There is growing appreciation on the part of loggers, however, of the importance of reforestation. Technically trained foresters, who would have been scorned in logging camps a few years ago, are today respected and welcomed because the most individualistic operators realize that these foresters, whose job is to keep the forests growing, hold the key to sustained yield and future prosperity.

Some of the largest companies operating in the province have already launched reforestation or forest management programs of their own.

There has also been growing interest in schemes for utilizing logging refuse and waste as a source of pulp material.

Mr. Justice Sloan is well qualified for the job. Although his judicial duties have brought him into direct contact with the timber industry only incidentally, his work on previous Royal Commissions in connection with the Workmen's Compensation Act and salmon fisheries was admirably done and he has the confidence of the industry.

Subjects for Study

The enquiry will be devoted to the following subjects:

1. Extent, nature and value of B. C.'s forest resources.
2. Their conservation, management and protection.
3. Establishment of forest yield on a continuous production basis in perpetuity.
4. Reforestation and research.
5. Forestry education and instruction.
6. Utilization of the forest crop and its relationship to employment and social conditions.
7. Use and management of forest and wild lands for parks, recreation, grazing and wild life in relation to forest administration.
8. Relationship of the forest to soil conservation.
9. Maintenance of an adequate forest cover, with a view to regulating moisture run-off and maintaining levels of lakes and streams.
10. Forest finance and revenues to the Crown from forest resources.
11. Acquisition of rights to forest lands and timber and the tenure of such rights, including existing rights and tenures, and extent to which adequate and proper exercise of the rights thereunder is now made.
12. Legislation and the amendment thereof.
13. Relevant facts in relation to any matter, that, in the opinion of the commissioner, it is necessary to enquire into in order effectively to carry out his duties.

The provincial government has so far planted 30 million trees under its reforestation program and can maintain production of seedlings at the rate of 10 million a year. But this in itself is inadequate to ensure maintenance of supply. This and many other aspects of reforestation will be enquired into toward recommending legislative action by the industries affected.

The Week in Business

	Dec.‡	Nov.	Oct.	Sept.	Year Ago
Financial Post Production index	....	264.2	262.5	258.4	228.3
■National Income, D.B.S. (c)	....	§752	737	§747	633
Dom. war expend. (million $)....	....	271.0	345.5	247.2	201.2
Dom. total revenue (do.)	....	215.1	248.9	215.9	182.1
Dom. total expend. (do.)	....	501.0	440.1	389.8	327.2
Dept. store sales index no.	....	169.3	157.3	156.8	168.5
Retail sales index no.	....	....	157.1	158.5	152.2
■Wholesale sales index no.	....	169.9	175.2	184.8	152.9
Country store (% change pr. yr.)	....	+11.0	+5.3	+5.7	+15.0
■Divd. payment index♦	125.9	124.6	123.9	124.0	122.7
Bank deposits (1935-30=100)	....	176.3	175.3	170.7	154.7
Cash and cheque pay. index	....	238.5	187.0	180.2	197.8
Bank debits (1935-30=100)	....	195.4	155.0	171.6	135.7
Money supply (c)	....	4,933	4,890	4,760	4,280
NEWSPAPER % OF CAPACITY—					
Production ratio	....	69.2	70.1	70.7	70.6
Shipment ratio	....	70.4	70.7	68.7	71.7
RAILWAY FREIGHT LOADINGS—					
Tons (D.B.S. index)	....	164.5	134.7	147.7•	142.0
Cars (D.B.S. index)	....	138.8	121.6	122.9	126.5
COST OF LIVING—					
■D.B.S. index	119.3	119.4	119.3	119.4	118.8
EMPLOYMENT INDEX No. D.B.S.—					
All industries	....	....	187.6	186.2	181.3
Manufacturing	....	....	231.3	229.9	218.3
Payrolls (June 1/41=100) (b) ...	....	....	150.7	148.7	137.8
Payrolls (1937=100) (a)	....	....	221	217	223

RAILWAYS—	1943	1942	1943 Jan. 1 to date	1942 Jan. 1 to date	Change %
■Carloadings (week Jan. 1) $	48,598	45,187	....	....	....
■C.P.R. gross (week Jan. 7) $	4,802,000	3,929,000	....	....	+22.2
C.N.R. gross rev. .. (Nov.) $	37,001,000	31,886,000	401,535,000	338,715,000	+18.5
C.N.R. net rev. .... (Nov.) $	7,226,000	6,602,000	88,583,000	78,266,000	+13.1
C.P.R. gross rev. .. (Nov.) $	27,461,492	22,414,905	269,824,963	232,340,753	+16.1
C.P.R. net rev. .... (Nov.) $	5,590,640	5,269,455	44,193,918	42,993,378	+2.7
IRON AND STEEL—(November)					
Pig Iron production (tons)	142,249	170,598	1,621,009	1,810,633	—10.4
Steel production ... (tons)	259,444	270,812	2,769,156	2,851,527	—2.8
CONSTRUCTION—					
Contracts awarded.. (Dec.) $	11,989,300	9,608,900	206,103,900	281,594,100	—26.8
Building permits .. (Nov.) $	6,348,196	7,956,629	73,606,388	97,610,848	—24.7
■Cement prod., bbls. (Oct.)	813,000	1,146,000	6,578,665	8,177,092	—19.5
AGRICULTURE—					
■Flour prod., bbls. .. (Nov.)	2,175,831	1,973,401	22,301,263	18,697,561	+19.2
■Cattle sales▲ .... (Dec.)	91,115	109,830	1,184,802	1,173,714	+0.9
■Hog sales▲ .... (Dec.)	1,041,504	722,284	7,147,546	6,228,163	+14.7
SEA FISHERIES—†					
Catch, cwts. ...... (July)	1,659,279	1,387,400	5,344,855	5,804,685	—7.9
Landed value . .. (July)	6,570,634	5,097,200	21,387,627	15,550,040	+37.6
NEWSPRINT—					
Production, tons ... (Nov.)	256,336	251,147	2,733,104	2,932,911	—6.7
Exports, tons ..... (Nov.)	243,969	238,268	2,592,084	2,779,371	—6.7
MINING AND OILS—					
Coal prod., tons ..... (Oct.)	1,547,234	1,574,871	14,731,904	15,478,943	—4.8
Gold rec. (fine oz.) (Nov.)	263,668	317,015	3,338,205	4,245,028	—21.3
■Petroleum prod., brl. (Oct.)	836,080	860,060	8,358,049	8,677,610	—3.6
ELECTRICAL POWER OUTPUT—(October)—					
Total monthly 1,000 kw.h.'s	3,460,737	3,188,797	36,818,140	33,946,747	+8.4
FOREIGN TRADE—♦					
■Imports .... (Nov.)	160,310,824	126,204,238	1,600,204,816	1,506,672,539	+6.2
■Exports .... (Nov.)	293,412,194	208,962,433	2,693,388,525	2,114,226,765	+27.3
OTHER INDUSTRIAL FACTORS—					
■Shoes, prod., pr. ... (Nov.)	2,925,870	2,884,992	31,577,536	30,549,537	+3.3
Cotton consump. lb. (Nov.)	14,253,640	16,388,439	166,569,224	181,650,533	—8.3
Cigarette cons. No.† (Oct.)	969,456	1,010,451	9,174,338	8,232,279	+11.4
FINANCE—					
Bank debits† ...... (Nov.) $	5,913,477	4,966,558	48,946,288	41,331,641	+18.4
■Bond sales† .... (Dec.) $	171,766	92,552	6,686,094	4,290,673	+55.8
Life insurance sales (Nov.) $	54,087,000	52,042,000	535,009,000	489,246,000	+9.3

‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C. †000 omitted.
▲Total at yards and plants. ■New items for week. §Estimated.
♦Supplied by Nesbitt, Thomson & Co. (c) 000,000's omitted. ♦Gold excluded.
(a) Compiled by Canadian Bank of Commerce. (b) All industries.

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Which Way Newfoundland?

Sharp Controversy Over Postwar Grants-in-Aid Status

Go in with the United States? Link up with Canada? Or stay under the wing of the United Kingdom?

These are a few of the questions being mulled over by Newfoundlanders since the status of their island has come up for debate in the British House of Commons following the report of Messrs. C. G. Ammon, A. P. Herbert and Sir Derrick Gunston who formed a mission to Newfoundland to feel out opinion on the subject.

The Dominions Office is blamed by Newfoundland's Daily News quite bluntly for its methods of appointment and operation of the Commission which has been restrictive of progress and public co-operation and largely responsible for widespread discontent.

Members of the Commission of Government of Newfoundland are:

His Excellency Vice-Admiral Sir HUMPHREY WALWYN, Commander-in-Chief and Chairman of the Commission of Government;
Hon. Sir JOHN C. PUDDESTER, Kt., Commissioner for Public Health and Welfare and Food Controller, Vice-Chairman of the Commission;
Hon. Sir WILFRID WOODS, Commissioner for Public Utilities.
Hon. L. E. EMERSON, K.C., Commissioner for Justice and Defense and His Majesty's Attorney-General.
Hon. IRA WILD, O.B.E., Commissioner for Finance;
Hon. P. D. H. DUNN, O.B.E., Commissioner for Natural Resources;
Hon. H. A. WINTER, K.C., Commissioner for Home Affairs and Education

Newfoundlanders are resentful of Goose Bay having been leased to Canada for 99 years, it is revealed in the report.

Particularly have the islanders been jolted by the statement of Clement Attlee, Deputy Prime Minister that the British Government would not continue to guarantee Newfoundland's finances. What they want, they say, is industrial development, not grants-in-aid.

Opinion in the island, reflected in the Newfoundland Daily News, repudiates British claims that they do not want a change of government. Rather, it is claimed, Newfoundlanders are unsure of the change they want; but assuredly the great majority are opposed to the present system as they have experienced it.

Wants Good Government

Never did they want Great Britain to be responsible indefinitely for Newfoundland finances. Rather they want good government.

Need for immediate improvement in the quality of the Commission governing the island is stated forthrightly.

"No system is good," says the Daily News, "that takes from the people all vestige of representation and encourages them to political indifference and to the complacent status of financial dependence."

Ten years have expired, the same journal points out, and the matter of self-government is still under consideration. The Dominions Office is to blame for having closed its mind to local opinion and for having failed to acknowledge that discontent exists. It has cheerfully acceded to granting concessions and decisions on vital questions in the full knowledge the people of Newfoundland have been kept completely in the dark about the disposition of important assets. Much resentment is felt, in this connection, in regard to Goose Bay having been leased to Canada for 99 years.

Following are the recommendations of the Goodwill Mission as presented to the House of Commons at Westminster on Dec. 16, 1943.

C. G. Ammon

Mr. Ammon recommends:

1. Because the island's present prosperity is soon likely to recede and that the constitutional position can not be separated from the economic, there must be a compromise between the Commission and responsible government: The Commissioners should be nominated from Britain and elected from the Newfoundland side over a general franchise.

2. A 10-year development program should be pursued with the aid of loans from the United Kingdom, but Newfoundland should administer it on her own.

3. The present Governor of the Commission should cease to be chairman.

4. Interchange of senior Newfoundland and U. K. Civil Service.

5. A Civil Service Commission should be set up.

6. Present control of the island's expenditures should be considerably relaxed.

Sir Derrick Gunston thought any vote on the issue of federation with Canada or the United States would be overwhelmingly defeated. He maintained Newfoundland's greatest hope lay in developing the fresh fish industry and an agricultural policy which would ensure that the country grew enough protective foods to support the population.

He urged the proper development of the tourist industry as an aid to revenue and saw considerable prospects in the island as a terminal for transatlantic air traffic.

He advised, furthermore, revival of the RNR training scheme and organization after the war of a Royal Newfoundland Regiment to be paid for from U. K. funds.

Most important of all, he urged adoption of a 10-year development plan, costing about 20 million pounds, and administered as a loan on the lines of the Colonial Development and Welfare Act.

Highlights of comment resulting from the British House of Commons debate on Newfoundland's economic and constitutional status:

"This Island is our child and for many good reasons we don't want to see a child of ours left a tattered foundling to be picked up on the doorstep of the United States." — A. P. Herbert.

Of political union with Canada, "This must be decided by the people of Newfoundland themselves." — Emrys-Evans, Under-secretary for Dominion Affairs.

A. P. Herbert

A. P. Herbert, pointing out that the people were uncertain of themselves both politically and economically, urged an early positive pronouncement by the British House on the economic side. Two or three years after the war, he said, the government should announce its intention to restore full self-government to Newfoundland unless by a plebiscite one year before the people had chosen some other form of government. A council of citizens, appointed by the government, should be formed representing every class and body to find out what form of government the people wanted and prepare them for a renewal of political activity. He did not favor election of the Newfoundland Commissioners. Mr. Herbert recommended further:

1. That Newfoundland be included in the United Kingdom on lines similar to those of Northern Ireland.

2. A 10-year development plan which might cost about 16 million pounds.

Labor's View

In the discussion which followed the resolutions in the House of Commons, Labor members moved for immediate self-government for Newfoundland.

Clement Attlee, Deputy Prime Minister, succeeded in getting the amendment rejected. Claiming the government was desirous of getting Newfoundland back to self-government soon, he foresaw difficulties though in having an immediate election to sound out Newfoundland opinion because so many islanders are aboard ship, in the Army, lumber camps and elsewhere.

Self-government without financial aid would be of little value to Newfoundland, Mr. Herbert said, and hoped the islanders might be included in the United Kingdom and that the British Government would pursue with energy in solving the industrial and economic problems of Newfoundland.

Beverley Baxter, Conservative, suggested a general election should be held in Newfoundland within three months after Jan. 1, 1944 to elect people to a constituent assembly for the purpose of creating a provisional government. That government, he said, could formulate its policy to work with the Commission of Government for the gradual handing over of the government and arrange in one year's time a general election.

Mr. Creech-Jones, Labor, sponsored the remarks of the mission and urged improvement of the quality of the Commission and that the efficiency of the Civil Service be increased and closer contact with the people restored.

Fears Prejudice

Mr. Emrys-Evans, Under-Secretary for the Dominions, disagreed that the Chairman of the Commission should cease to be the Governor and three Commissioners be elected. He thought such temporary changes at the present time might only tend to prejudice the settlement. Election of half the Commissioners, he said, would raise difficulties in constitutional theory and practice

The Daily News, in discussing the debate, urges immediate improvement in the quality of the Commission.

The Commission system, it claims, had shown little recognition of the need for long-range economic planning. The history of the past impairs Newfoundland's confidence in the ability of the Commission to lay the proper foundation for a well-devised and well-integrated program of postwar reconstruction, and Newfoundland's future depends largely upon how well the wartime surplus is spent.

What Should be Done

Money should be spent, says The Daily News, on the creation of new sources of labor for the workless and impoverished. "Scientific spending will bring us through the depression. Unscientific spending will fasten us, like the old man of the sea, a permanent and parasitical barnacle on the back of the British taxpayer."

Especially Newfoundland wants scientific research and survey extended, expert study of the potentialities of new and old products, aid in acquisition of new markets, and personnel to organize and direct such a venture along approved business lines. (At the end of the war Newfoundland expects to have a reconstruction fund derived from war surpluses and loans of close to $20 millions.)

To this end Newfoundland will require the help of the services of men of the widest experience in economic planning.

"The main factor that will determine the destiny of Newfoundland," says The Evening Telegraph, "is not so much what some other country, Britain, Canada or the U. S. might be prepared to do for us, as what we are determined to do to help ourselves.

"Those who support Government by Commission, merely because under the system Britain relieves the country of certain financial responsibilities, show little national pride and less of that spirit of do and dare of their forefathers. . . "

Ont. Hydro's Load Gains

A total primary load of 2,288,484 h.p. was supplied by the Hydro-Electric Power Commission of Ontario during Nov., 1943, an increase of 3% over that supplied during the corresponding month of 1942. Combined primary and secondary loads likewise increased by 4.5%.

The commission's monthly load summary, based on the maximum 20-minute peak horsepower load for the period, covers all four Hydro systems and the Northern Ontario Properties. Detailed load tabulations follow:

	Maximum 20-Min. Peak H.P. Nov. 1943	Nov. 1942	% Incr.
Primary Loads			
Niagara system	1,729,223	1,673,995	3.3
Eastern Ontario	208,873	182,677	14.3
Georgian Bay	49,926	47,855	4.3
Thunder Bay	108,338	106,340	1.9
North. Ontario	192,124	210,252	—8.6
Total All Systems	2,288,484	2,221,119	3.0
Primary & Secondary Loads			
Niagara system	1,821,984	1,736,729	4.9
Eastern Ontario	208,873	182,677	14.3
Georgian Bay	49,926	47,855	4.3
Thunder Bay	131,247	117,962	11.3
North. Ontario	253,786	275,131	—7.8
Total All Systems	2,465,816	2,360,354	4.5

Purchased Woodpulp Stocks Down in U. S.

Stocks of purchased woodpulp in the United States as reported to the American Pulp & Paper Association for Dec. 1, 1941, showed a continuation of the decrease which has been evident since early in the year. Between Nov. 1 and Dec. 1 stocks decreased approximately 11,000 tons, compared with a decrease of 9,500 tons in the preceding month.

As at Dec. 1 stocks of purchased woodpulp totalled 115,561 tons of which 87,168 tons were at paper mills and 28,393 tons at board mills.

Paper Output in U. S. Advances in October

Total paper production in the United States as reported to the American Pulp and Paper Association for Oct. 1943, exceeded that of September by 3% due primarily to the fact that October included one more working day than September. Production last October was some 4% under that of the same month last year. The mills operated at 89.9% of capacity, while orders received were reported at 89% of capacity.

Use Old Paper In Newsprint

Gatineau and Thorold to Produce 700 Tons of "Scrap" Newsprint

From Our Own Correspondent

MONTREAL. — Two Canadian mills plan to produce under regular mill conditions, 700 tons of newsprint containing 5% old newspapers, and two newspapers with the largest circulation in the United States, the Chicago Tribune and the New York Daily News, will print a full day's edition on this paper under regular press room conditions.

Canadian International Paper will produce 500 tons of this paper at its Gatineau Mill. It is planning to turn one machine over entirely to this production for about three days.

The Daily News expects to print an entire day's edition, according to Editor and Publisher, using approximately 300 tons, some day the week of Jan. 9-15. Normal press room speed up to 50,000 an hour will be reached.

The Chicago Tribune's associated newsprint plant at Thorold, Ont. is producing 200 tons of paper containing 5% to 10% old papers. The Tribune plans to make its full day's run on this paper in the near future.

Mersey Paper Workers Seek Wage Adjustment

Employees of Mersey Paper Co. have applied to the Regional War Labor Board to have their wages adjusted upward to the same level as paid in Ontario's paper mills, namely, 56 cents an hour basic wage.

According to L. D. Currie, Provincial Minister of Labor, the application had been considered at the last sitting of the Regional Board, but action had been deferred to secure full information on the matter.

More Workers Engaged In Woods Operations

Two thousand more workers were in the woods of eastern Canada on Dec. 11 this year than at the same time last year, according to the statement of Labor Minister Mitchell. There were 45,600 men cutting wood for pulp wood, saw logs, etc., on Dec. 11 this year.

Men from prairie farms, according to the Minister, were being enrolled at the rate of 100 per day for work in the woods and their draft deferment status was being continued while they were in the bush. Prisoners of war, Japanese and Italian internees were being put to work to help meet the industry's manpower requirements.

What's Ahead For Canada

(Continued from page 1)

western or maritime Canada. Their increase has been amazing. They have filled Quebec, they have overrun the Ottawa Valley, and moved up on the St. Lawrence. The once British Eastern Townships grow more French with every decade. Sherbrooke and Coaticook are almost French towns. Stanstead fell asleep British and wakened up French. The Quebec French have moved eastward to invade New Brunswick through the valley of the Restigouche. The whole movement is based and buttressed by the metropolitan city of Montreal, 64% French, by the French-speaking capital of Quebec and a provincial press and school and college system joining three million people in a common language.

But beyond that the movement will not go. The French Canadians would do well to give up all thought of a pan-French-dual Canada. That hope died with the English-speaking invasion of the North West.

Our Complete Separation

But the essential point in the issue is not the relative numbers of the races or their distribution but their complete separation from one another. That can never be bridged unless the French Canadians give up their cherished ideas about schools and marriage in relation to religion. This they won't, within human vision. One should try to realize the completeness of this separation between the French and English in Canada even where they are thrown closely together as in Montreal. It begins with the cradle and follows them to the altar and the grave.

Children who do not go to school together can never know one another. And the two school systems are not only separate but built on opposite ideas, each a denial of the worth of the other. Stating each in its own terms, we find the French Roman Catholic school systems resting on the idea that no education is sound, unless accompanied, unless permeated, with the teaching and the doctrine of the Church; that one cannot separate in the mind of the child its religious training (meaning its training in the dogma and the moral precepts of the Church) from its intellectual learning. If you do so you attain only to "godless" education, a hideous growth undermining faith, threatening the cohesion of society. Hence at every stage of education is the priest—let us call him the good father—and his book.

But the Protestant to the contrary. As he sees a school, it is to be made a place inspired by religion and morality, though cut off from the teaching of dogmas and creeds and rival articles of faith.

Each day well spent, arduous and industrious, is a prayer. The honor of the classroom and the playground, the busy, happy day of honest effort and games that teach subordination of oneself, these things teach religion. This "godless" school is the school that God loves best.

Such are the French and the British children in their youth at school. The separation is so complete that it is never afterwards bridged except in a few individual instances too rare to count in the mass.

Marriage is another separating line, a gulf of division by religion that even love, blind though it is, dare seldom leap across. A French Roman Catholic, and that means practically all the French Canadians, must not marry a Protestant except with a pledge that children of the union must be reared as Roman Catholics. Nor is a Protestant form of marriage held valid, no matter what a perplexed law may say. The only real marriage, a sacrament of the church, is one solemnized by a priest. What can a Protestant youth do about this? Nothing, except to keep his eyes away from French girls—a thing not always easy to do.

It is true that the Irish Roman Catholics, with the language of one race and the religion of the other, fall crosswise of this division. But they cross it only to perplex it, not to heal it. And they add along with it much good fellowship, a few animosities of their own.

Common School, Common Tongue

Many people look 'round for means of close union, and they look especially to unity through language, not the obliteration of French but the rise of both languages by all of us. No one can doubt the uniting power of a common language. In the Union of the forty-eight States of the United States this is the link that binds. All the children learn out of the same speller and reader in the little red school house. They all learn that they are descended from the Pilgrim Fathers, learn that they left England for Massachusetts Bay and Virginia. And even if they came from Czechoslovakia they believe it. It's good for them. And the little red school house, in the big cities, is now four stories high with a budget of perhaps a quarter of a million a year. But it gets there in spite of that. All glory to the American public school and single language that has made America.

Can we have that in Canada? No.

We can't reduce our speech to one language and any dream of bi-lingualism, all over Canada, of people twittering away in both languages in Hamilton, Ont., Moose Jaw, Sask., and Victoria, B.C., is just a dream. Bi-lingualism is not so easy and so offhand as this. It only comes under very special circumstances of necessity, of opportunity and of daily intercourse, as in some of the two-language areas of unhappy Europe. Nor does it ever come when one of the parties concerned is British. We are but poor linguists. The average Englishman not only can't learn a foreign language but he can't even learn to try. He has a beautiful language of his own, spoken in all hotels, and to him foreign languages seem silly anyway. Hence it comes that the English do not talk Gaelic in Scotland nor Dutch in South Africa nor French in Canada. One must not be misled by official statistics. South Africa looks bi-lingual on official paper. It is meant to. Over there any Englishman is classed as speaking two languages if he can say in Cape Dutch "Geef mij een Glas van Whiskey en sodje." Most of the Dutch, except the back Boers, speak both languages, some both well, some both badly.

To judge of the prospects of bi-lingualism for all Canada consider the case of the city of Montreal. Here is, as far as the French and English languages are concerned, the largest, by far the largest bi-national city in the world. In a population of over a million people about 64% are French by birth and speech, 22% are British and 14% something else but speaking English or what they understand to be English. Here also to maintain each language is a metropolitan press for each, schools, colleges, theatres, radio to support each tongue.

To what extent is Montreal bi-lingual? Hardly at all except in what the diplomatists call a unilateral way. Most of the French speak English, but very few of the English speak French. Bi-lingualism of course in its highest sense, the ability to use each language in a real way for all the niceties of conversation, the appreciation of literature and the expression of one's thoughts in speech and writing, is a very rare attainment. It only comes as the result of special home opportunity, special aptitude and special desire to cultivate it. Few French people in Montreal attain to that. But in the lesser sense all the educated French people in Montreal can use English with fluency and the mass of the French can use it fluently enough for their own purposes, and job. A car conductor knows that "Ghee" Street is called in English "Guy" and bi-lingual girls behind ribbon counters seem marvels of linguistic talent—till they come out from behind. Ordinary French Canadians can read the English newspapers with ease, and, if driven to it, the editorials.

So much for the French. Most of them far overestimate their mastery of the English language, and few, if any, of them can write it except in a plain mechanical style—correct but graceless. But any shortcomings on their part are as nothing beside the failure of the mass of the British people, even life-long residents, to acquire a knowledge of French. Hardly any of them ever use it in a sustained way. Most of them cannot follow conversation, still less take any part of it. The single exceptions that any of us here might adduce deduct nothing from the general rule. The English don't speak French and what is more don't want to. You will often hear them express the wish that they could talk French; but they mean they wish it would descend on them like the apostolic gift of tongues. They are not going to go up after it.

Such, as I see it, is the present situation of the two races in Canada. There is no particular remedy to be applied to it. Little faith can be placed in the organization of committees and societies for cultivating better relations, except that such meetings are pleasant and a good time is had by all. We can only apply the policy generally favored by the highest present statecraft in this country and wait till it all goes by. Each side must act fairly to the other. The French have no right in law or in history or in common sense to think of Canada as a combination in which all grave policy must depend on French Canadian veto or consent. The British have no right to misuse the British connection and the British heritage to give an unfair deal to the French by sheer majority power.

On those terms all depends on, and needs men of goodwill.

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Here are the figures:

Province	Total *Population	Urban Families	Rural Families	Total Families	Combined Circulation
Nova Scotia	577,962	58,016	66,004	124,020	53,560
Prince Edward Is'd	95,047	5,049	14,541	19,590	6,934
New Brunswick	457,401	31,378	62,101	93,479	32,135
Quebec	3,331,882	435,127	212,727	647,854	316,179
Ontario	3,787,655	569,742	332,549	902,291	518,900
Manitoba	729,744	79,611	85,638	165,249	88,950
Saskatchewan	895,992	67,894	122,243	190,137	92,186
Alberta	796,169	74,281	101,463	175,744	118,255
British Columbia	817,861	112,036	86,326	198,362	137,060
Miscellaneous	—	—	—	—	53,729
TOTAL	11,489,713	1,433,134	1,083,592	2,516,726	1,417,888

*Yukon and Northwest Territories not included pending D.B.S. figures

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We Have Been Asked . . .

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Adopts Child

I adopted a child on Dec. 18, 1943. Will I be permitted to claim exemption for income tax on this child when filing my income tax return for 1943?

Provided you have legally adopted the child, and the adoption became effective in 1943, you will be allowed deduction for the full year.

Maid's Board

I pay a domestic servant $50 a month and, in addition, furnish her with board and room. I understand the latter should be taken into consideration in deducting income tax from her wages. How is the value of the board and room estimated?

You will have to include value of board and room in the maid's income for tax purposes. According to the regulations the value of the board and room is estimated at $3.50 to $7 a week and you will have to decide what the accommodation furnished by you is worth between these two levels. Then add it to the wages and make deductions according to the table of deductions.

Children's Deductions

I understand an income taxpayer is entitled to a deduction for each child of $28 from normal tax and $80 from graduated tax, or $108 in all. Do these deductions apply on all children up to 21 years of age? I would like the situation in this matter clarified.

According to the regulations, parents are allowed a deduction of $108 from total normal and graduated tax payable, for each dependent child under 18 years of age. By dependent is meant a child that does not have an income of more than $400 of its own. Thus if a boy of 16 had an income of $425 a year, he would not be regarded as a dependent and the parent would not be allowed deduction on his account.

When a child is over 18, if he is attending school, the parent is still allowed the deduction up to and including the year in which the child becomes 21. Thus if a dependent child, attending school becomes 21 in January, he is considered under 21 for income tax purposes for the full year and the parent allowed deductions accordingly. When a child is mentally or physically incapacitated, and has no income of his own, the parent can claim deductions indefinitely.

INVESTMENTS

Canada Foundries

Can you supply me with figures on the price range and dividend performance of Canada Foundries & Forgings A stock?

Canada Foundries & Forgings, Ltd., A stock, was selling last week at $20 per share, compared with a low for the year of $19 and a high of $27. For comparative values we quote the following price ranges for earlier years.

Year	High	Low	Year	High	Low
1942	26	15	1934	6¼	2¾
1941	19¼	15	1933	8	2
1940	23	11	1932	6	2
1939	24	7	1931	12	10
1938	17	9	1930	20	10
1937	20¾	10	1929	28	12
1936	20½	3	1928	24	20
1935	7	2			

The price range quoted above indicates of itself that the stock has been subject to wide fluctuations. Dividends have been paid at the rate of $1.50 since and including 1940, but there was no dividend in 1939 nor in 1932 to 1936 inclusive. Full dividends were paid on the stock for 1928, 1929 and 1930 (the company was reorganized in the middle of 1928), but outside of these three years and the current war years, there has been no year since 1921 in which the company has been able to pay its full dividends on the senior stock.

Stock Groups

I notice the Toronto Stock Exchange divides its listings into 19 groups. Where can I obtain information on these groups and the changes in their value?

A letter to the Toronto Stock Exchange Statistical Department should bring you the required facts and figures.

Balfour Bldg.

Have you any recent information on the status of Balfour Building Ltd.?

During the year ended April 30, 1943, Balfour Building Ltd. suffered a net loss of $24,966 as compared with $28,689 the year previously. These figures are after allowing full interest of 6% on the bonds of the company, which in the most recent year amounted to $41,934. Only 3% is being paid on these bonds at present.

The time for payment of unpaid interest and arrears to and including Apirl 1, 1938, and interest in excess of 3% falling due Oct. 1, 1938, which in that year was extended to Oct. 1, 1943, was further extended this year. Gross revenues showed an increase for the year ended April 30, 1943, to $94,605. This improvement was due in part to increased rentals, but mainly to greater revenue from steam supplies.

Hudson's Bay Co.

How would you regard the common stock of Hudson's Bay Co. from the point of view of a British investor?

Hudson's Bay Co. might expand its earnings in the postwar years, as a result of general prosperity throughout the West, a trend which is already apparent. Today, westerners are counting on at least two or three years of peak business with satisfactory prices for farm produce after the war as a result of the need for feeding Europe and other devastated areas.

The Hudson's Bay Co. has large land holdings. As at Jan. 31, 1943, the company held 1,450,507 acres of land in the provinces of Manitoba, Saskatchewan and Alberta. Much of this land is located in areas now being actively surveyed by oil interests. The company already derives a fairly substantial income from its oil lands in the established areas, and if the current activity in exploration succeeds in turning up a new major field, it is almost a certainty Hudson's Bay Co. will be one of the beneficiaries.

We are not prepared to comment on the current market valuation in Great Britain. It is quite clear that the stock is offering a rather low return, but this may not be out of line with alternative investments available in England. We would also point out that the company's annual statements are presented in sterling, converted from Canadian dollars at $4.866 to the pound. Since the pound is currently quoted at approximately $4.43, it is apparent that actual earnings of the company are understated by approximately 11%.

WPTB QUESTIONS

Carry-out Cartons

I have always purchased ginger ale in a carton and now my dealer charges the same price and refuses to supply a carton. Is this correct?

The manufacture of soft drink bottle carry-out cartons has been prohibited, but there are still a few in stock. Absence of the carton would make no difference in the price of the beverage.

Hydro Charge?

I rented two rooms for $12 a month which included hydro and water. My landlord is now charging me extra each month for hydro. Can he do this?

Definitely no. Such measures are illegal unless your landlord has applied to the Rentals Administration for permission to make an increase.

Paper Hanging Job

I feel I was very much overcharged for paper hanging done in my home. The decorator papered two rooms and charged me $50.

This is a contract which would have to be agreed upon by the decorator and yourself. His price would depend on many different factors, such as the time involved, the number of men used on the job, the type and quality of paper used, the size of your rooms, etc. It is impossible to estimate whether or not you were overcharged.

Suet

Can my butcher refuse to give or sell a piece of suet with a lean roast of beef?

Very often the butcher has no suet either to sell or give to his customers. Under WPTB Order No. 231 a carcass must be defatted at the abattoir before it is delivered to the butcher. These fats are used in the manufacture of munitions.

Old Ration Books

What should we do with our old ration books which still have unused coupons?

Your old green ration books became worthless on Dec. 31, 1943, Remove any tea, coffee or sugar coupons which you did not use. Then turn the books over for paper salvage.

Luxury Tax

I understand that the ceiling price on a Westclox Alarm clock is $1.65. When I purchased such a clock I was charged a 25% tax amounting to 41c. Should this tax not be included in the ceiling price?

No, the 25% luxury tax is extra. The correct ceiling price for this clock is $1.65. This luxury tax went into effect in June, 1942.

Wartime Regulations

Distribution of Certain Spices: WPTB No. A-1043, Jan. 1, 1944, notes expiry of Order No. A-921 on Dec. 31, 1943, and provides for continuance of limiting of quantities of spices listed in Section 2 that may be sold and supplied by any spice miller. The order applies to the following spices in ground, unground, distilled, mixed or other form: allspice, cinnamon, cloves, ginger, mace, nutmeg and pepper. It does not apply to "imitation spices."

* * *

Prices of Retail Cuts of Lamb: WPTB No. 354, Jan. 3, 1944 revokes and replaces No. 322 and fixes maximum prices for the period of approximately six months commencing Jan. 3 to June 30, 1944 on sales of lamb at retail by persons in the zones established by Order No. 196. Hereafter the provisions of Sections 6, 7, and 8 of No. 196 (as amended by Nos. 304 and 353), which fix the maximum prices at which lamb may be sold at retail, shall apply **only** to sales of lamb at retail by persons outside those zones. Deputy Chairman, D. Dewar.

* * *

Cast Iron Enamel Bath Tubs: WPTB No. A-1045, Jan. 3, 1944 revokes No. A-361 and prohibits manufacture of cast iron enamel bath tubs without permission. Admin., Plumbing, Heating and Ventilating Equipment & Supplies E. J. Laidlaw.

Jamaica Public Service Records Small Drop

Jamaica Public Service Ltd., for the first 11 months of 1943 reports gross earnings of $1,265,490, of which $144,202, or $1.07 was available for distribution on the common stock. For the like period of 1942, gross totalled $1,240,988 and net $165,106, or $1.22 a share. Decline in net profits was due to higher expenses, an increase in depreciation reserve, and slightly higher preference dividends.

Coleman Urges Immigration

Regards Peopling of Country as Most Immediate After War Need

From Our Own Correspondent

MONTREAL.—Canada's most immediate after war need will be a wise and effective policy to bring in a large and desirable class of new citizens, according to D. C. Coleman, chairman and president of Canadian Pacific Railway.

Individual and business taxation, says Mr. Coleman, is even now restrictive in its effect upon both trade and industry and taxes upon business, in the last analysis, are either paid by the consuming individual or are destructive of enterprise.

"The most efficient factor in the lightening of this load of taxation and in the liquidation of the debts that make it necessary, would be an appreciable and continued increase of population by means of the right kind of immigration. Concisely put, the urgent need is for more people whose efforts will add to the production of natural wealth and lighten the average individual load of taxation."

Problem Not Complex

The problem is a simple one, continued Mr. Coleman, and its solution requires only an unprejudiced approach with a firm faith in the possibilities of Canada's future greatness.

Canadian Pacific plans for the future, added Mr. Coleman, are not based upon a presumption that progress will come to a halt when the stimulus of war has ceased to exist. "I doubt if we yet realize the extent of the industrial advances Canada has made over the past four years or the vast new resources that have been tapped as a part of the war effort. These, together with the greatly increased skill of our workers, remain with us and will play an important part in future developments."

Need for People

Pointing out that in the period between the end of the last war and the opening of the present conflict, Canada made considerable forward strides, Mr. Coleman stated this was due largely to addition of about 3 millions population.

"It is earnestly to be hoped," he went on to say, "that a well-considered program of immigration will be included in any plans that are made for the country's future. The measure of Canada's progress will be found in the increase of her productive population."

SALES EXECUTIVE

W. D. Moffatt, who has been appointed general manager of Alexander Murray & Co., a division of Dominion Tar & Chemical Company.

East Kootenay Power Earnings Maintained

East Kootenay Power Co., subsidiary of Power Corp. of Canada, reports a moderate decline in earnings during November, net operating income of $33,415 being $5,400 less than in Nov., 1942.

For the eight months ended Nov. 30 cumulative returns show a gross revenue of $510,266 or practically the same as for the like period of the preceding year. Net earnings of $310,090 show practically no change. These returns do not include provision for income and excess profits taxes in the operating expenses.

Manitoba Areas Attract Interest

Jowsey Interests Form Company to Investigate Snow Lake Field

From Our Own Correspondent

WINNIPEG.—Signs indicate that 1944 will be a busy Manitoba year both in prospecting for new mines and in the development of properties already known, some of them in company form and which have been laying dormant for some time.

A company recently formed which plans both prospecting and developing activities is Wekusko Consolidated. As suggested by its name its immediate interests lie in the neighborhood of Herb (Wekusko) Lake in Northern Manitoba and which is already in the limelight because of the Howe Sound Exploration Co. property at Snow lake on which a large body of medium grade gold ore has been outlined by drilling and which awaits only a relaxation in regulations to commence active mining.

Wekusko Consolidated has a property in this vicinity but proposes to do a considerable amount of prospecting in favorable areas both in that locality and other sections of the province. The company has R. J. Jowsey as president and H. R. Drummond-Hay as secretary-treasurer, both of whom have been interested in mining in Manitoba for many years. It is capitalized at five million shares.

* * *

Redcloud To Drill

Another announcement made is that money has been placed in the treasury of the Redcloud Mining Co. for a drilling program and magetometer survey of its holdings in the Bear Lake area of the Lac du Bonnet mining division. Holdings of the company have recently been increased by purchase of a block of claims lying strategically in the area. In past years thousands of dollars have been spent in this locality in the search for commercial bodies of copper-nickel ore.

In the meantime the provincial government is steadily preparing the ground for a road into the Bird river area which runs directly to the chrome holdings of the Hudson Bay Mining and Smelting.

PLAN AHEAD

The government of Canada has announced plans to finance much of the war expenditure out of current revenue. War taxes of various sorts are being imposed. To meet them the first step is to save systematically. Open an account with this Corporation and be ready when the government calls.

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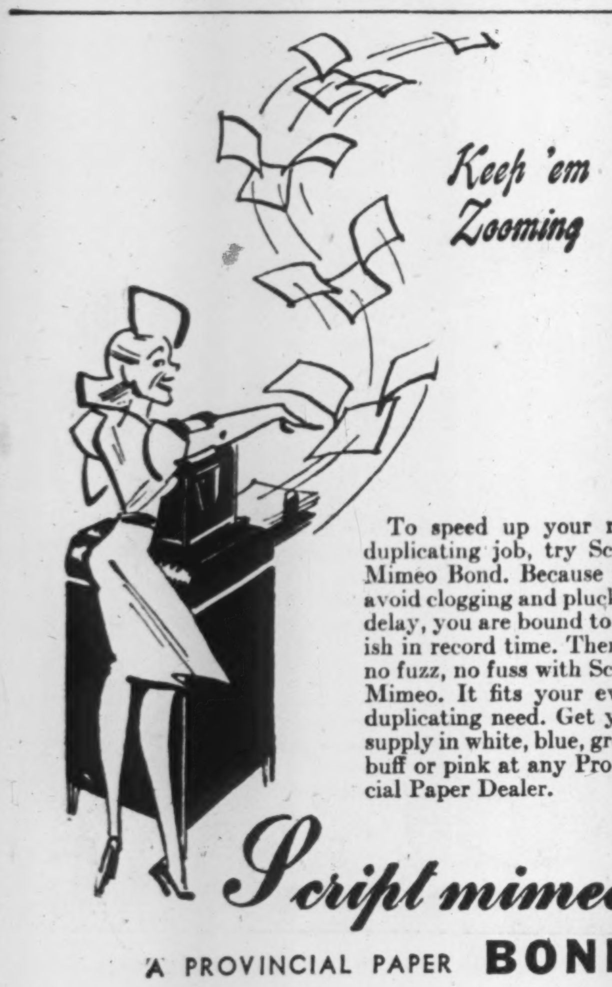

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At the last Dominion census, The Daily Province covered 73% of the entire population of Greater Vancouver. Since then an unprecedented influx of war workers into the city has added many more thousands to its readers. Nearly three out of four Vancouver people read "The Province". . .

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BANQUE CANADIENNE NATIONALE 69th ANNUAL GENERAL MEETING

Assets of the Bank reach the record amount of $252,179,733

The General Manager Informs the Shareholders That the Bank Has Made Final Payment of Instalments in Respect of the $15,000,000 of Bonds of the Province of Quebec Assigned to the Bank in 1924

President's Remarks on General Business Conditions

The 69th annual general meeting of the shareholders of the Banque Canadienne Nationale was held on Saturday, January 8, at the head office of the Bank, Place d'Armes, Montréal.

After the usual formalities, the President called on the General Manager, Mr. Charles St.-Pierre, to read the annual report of the Board of Directors, as follows:

The financial statements which have just been read disclose total deposits at $237,247,785 against an amount of $187,871,528 last year. This total constitutes a peak for this Bank. The number of depositors has also increased considerably. Deposits by the public not bearing interest have grown by an amount of ten and a half million dollars, standing at $60,933,872. Interest bearing deposits, showing an increase of over twenty-five million dollars, have attained a record figure of $141,784,227. Deposits by Governments, amounting to $32,401,456, have risen during the past year thirteen and a half millions.

The notes of the Bank in the hands of the public amounted to $2,138,467, as of 30th November last, against $3,001,652 a year ago. Under the terms of the Bank Act, the note issue privilege is being gradually withdrawn from the Chartered Banks, with the result that in 1943 the Banks could circulate their notes up to an amount of 45% of their paid-up capital, the percentage to be further reduced to 35% in 1944 and to 25% in 1945. The double liability attaching to bank shares is therefore being reduced in the same proportion.

Total assets of the Bank, now aggregating $252,179,733, show an increase of over forty-eight and a half millions for the year. This constitutes a record for this Bank. Cash assets stand at $43,604,148 in comparison with $34,551,381 at the end of last year, and represent 18.21% of liabilities to the public. Quickly realizable assets have grown in the course of the year, from $140,786,543 to $198,037,453. This accretion of over 57 millions has raised the percentage of quickly realizable assets to liabilities to the public from 73.74% to 82.71%.

Current loans and discounts appear at $42,761,933 compared with $48,442,989 at the close of the last fiscal year. This decrease accounts for the falling off in profits, notwithstanding the large increase in assets. War-time conditions are largely responsible for the shrinkage in current loans and discounts. The demand for bank credit has lessened because many industrial and commercial concerns, catering for civilian needs, found it difficult to obtain raw materials or stocks of merchandise. Municipalities and other public bodies have continued gradually to reduce their debts, with the result that our loans of this category have diminished from $6,398,193 to $3,609,996.

The management has had to direct a larger share of the Bank's available resources towards the purchase of securities. The rise in this class of assets has been without precedent, growing from $102,878,177 to $151,203,927. The yield on the portfolio of the Bank, consisting mostly of short-term bonds, is in inverse ratio to the quality and maturity of the securities.

Net profits of the year, as disclosed by the Profit and Loss Account, amounted to $806,266. They show a slight decrease in comparison with those of the previous year, which totalled $836,815, before deducting the sum of $60,000 allocated to the staff's pension fund. The net profits of the year, after provision of $318,282 for Federal Income taxes, were apportioned as follows: dividends, $420,000; contribution to staff's pension fund, $80,000; written-off bank premises, $125,000; payment to the Province of Quebec, Statute 14, Geo. V, Ch. 3, $125,000. A total of $56,266 of undivided profits was carried to Profit and Loss Account, whose credit balance now stands at $310,470 against $254,204 as of 30th November 1942.

The shareholders will doubtless note with satisfaction that, on 31st December, 1943, the Bank paid over to the Treasury of the Province of Quebec an amount of $1,467,686.87 which, with previous instalments paid by the Bank, has discharged the balance of payments which the Bank had assumed under Statute 14, Geo. V, Ch. 3. The Province has received the full amount which the Bank had agreed to pay, under the terms of this Law, to enable the Province to constitute a sinking fund for the redemption, on 1st March, 1964, of $15,000,000 of bonds of the Province ceded and transferred to the Bank in 1924.

In pursuance of understandings between the chartered banks, with a view to coping with the difficulties of securing the necessary staff, the Bank has closed, during the last fiscal year, five branches, at the following points: at 4600 Notre-Dame St. West, Montreal; at Buckingham and Perron, Province of Quebec; at Maxville, in the Province of Ontario, and at Gravelbourg, Saskatchewan. Additionally, fourteen branches were converted into agencies, and ten agencies were closed. The National Canadian Bank now operates 514 offices, of which 200 are regular branches and 314 are agencies.

The difficulties assignable to present conditions, to which should be added the voluntary co-operation which the Bank has extended to the Federal authorities in applying a number of war measures, have added to the already onerous task of the personnel of the Bank. We take pleasure in acknowledging that the members of our staff have conscientiously discharged their duties and that they have evidenced a praiseworthy attention to the best interests of the Bank and its patrons.

THE PRESIDENT'S ADDRESS

Gentlemen:

You have just heard the comments of our General Manager, Mr. Charles St.-Pierre, on the results of last year's operations of this Bank, which, I am sure, you will consider satisfactory under the circumstances. Before moving the adoption of the Bank's financial statements, I wish to offer a few observations covering the general business situation.

AGRICULTURAL MATTERS

The pressure of war conditions has brought about certain changes in the rural economy of Canada. On many farms operations have been diverted, partially or totally, from the growing of bread-stuffs to stock breeding, the demand for animal products being more urgent. The labour shortage and unfavourable climatic conditions have reduced the volume of field crops, the gross value of which is estimated at 1,102 millions of dollars, being a decrease of about 100 million dollars from the previous year. The wheat crop, the volume of which is placed by the Dominion Bureau of Statistics at 294 million bushels, is about one half the record crop of 1942. The areas sown to wheat were the smallest since 1918. It did seem anomalous that, whereas the Government of the United States last year was urging the wheat growers to extend the land sown to wheat from 54 to 68 million acres, the Canadian Government was bonusing farmers to restrict wheat seeding. This attitude is all the more difficult to understand that the United Nations, during the Conference at Hot Springs, Virginia, when studying world-wide food problems, strongly recommended that allied countries endeavour to develop in every possible way the production of foodstuffs, in order that, at the end of the war, the famished populations of Europe and Asia be supplied with food. Notwithstanding this definite recommendation and the fact that increased foreign demand has reduced, during the past year, Canadian holdings of grains, the Canadian Interprovincial Agricultural Congress held in November, 1943, in Ottawa, for the purpose of fixing the broad lines of agricultural policy during the next season, did not consider it advisable to encourage the extension of areas sown to wheat. The Federal Government, however, has decided to discontinue the payment of indemnities for land that was to lie fallow. The Department of Agriculture estimates that the areas sown to wheat in 1943, even with an average yield in 1944, would give Canada sufficient wheat to meet the highest possible demand during the next two years. It appeared preferable to concentrate on the production of coarse grains, oil-bearing seed crops, peas, beans and corn.

Stock-raising and the dairy industry have given an excellent yield. The rise in prices of most agricultural products has, in a great many cases, more than made up for the shrinkage in production. It is estimated that the income of the rural class has been materially higher in 1943 than in 1942.

INDUSTRIAL ACTIVITY

Industrial output attained a peak in 1943, notwithstanding a contraction in forestry operations, in iron and steel, in construction, in pulp and paper manufacturing, in textiles and in cheese making. Estimates would seem to indicate that, during the current fiscal year, Canada is financing the war at the rate of 4,356 million dollars, as against 3,138 million dollars in 1942-43, and 945 million dollars in 1941-42. In the course of the four years of war, Canada has launched 750 ships, delivered more than 10,000 planes and more than 600,000 military vehicles. This enormous production was superimposed on the output of our manufacturing industry for civilian requirements. This output has undoubtedly been reduced by labour shortage and lack of raw materials from the amount of 3,500 millions at which it stood in 1939.

The mining of base metals, the demand for which has been greatly stimulated by the war, calls for so many experienced miners that the gold mines have had to reduce their staffs. The production of gold has fallen off considerably in the course of the past year. Canada, which holds first place amongst countries exporting minerals and base metals, will have established in 1943 a new record. Although statistics relating to the mining industry are not published during the war, estimates would indicate that Canada has forwarded to the United Nations 95% of their requirements of nickel, 20% of their zinc, 12½% of their copper, 15% of their lead, 75% of their asbestos and 40 of their aluminium. The output of coal has had a setback due to strikes in a number of collieries.

The building trades, which had manifested great activity in 1940 and 1941, due to the vast military establishments then under construction, witnessed in the last two years a slackening which has become more marked during the last few months. The shortage of manpower and of building materials, not to mention the restrictive measures which are in force, hampers the construction of new buildings. No wonder that in scores of communities throughout the country the need for accommodation and for buildings of all descriptions is very much in evidence.

LABOUR SHORTAGES

The index of the Dominion Bureau of Statistics would seem to indicate that available resources of man-power are reaching the point of exhaustion, even after taking into account the very substantial contribution afforded by female labour. The man-power shortage in evidence in agriculture, coal mining, forestry operations and in other spheres of activity, has brought about a difficult situation which might become dangerous. Canada approaches the time when the problem to be solved is not so much one of apportioning labour as of finding labour to apportion.

FOREIGN TRADE

The value of the foreign trade of Canada, exclusive of gold shipments, reached, for the first ten months of 1943, an amount of 3,840 million dollars. Our imports account for 1,440 millions and our exports for 2,400 millions. These record figures, although they reveal that our country possesses vast possibilities for the production of goods, do not convey information of a very convincing character as regards the real condition of our foreign trade and the future of our exports. A moment's study discloses the fact that a large part of our imports consists of raw materials and equipment destined to our war industry and that a very large share of our exports comprises raw materials, armaments and munitions and foodstuffs which are included in our contribution to the war.

TAXATION

The burden of taxation weighing on industry is so heavy that it endangers the rapid recovery of our establishments. A survey made by the Bank of Canada sets forth that in 1942 the taxes paid by 628 Canadian companies exceeded the net profits which they had been allowed to retain. This situation will doubtless have been aggravated in 1943, inasmuch as the rate of taxation on excess profits was raised to 100% as of 1st July, 1942. If companies are to depend on the refundable portion of excess profit taxes to renew their machinery and equipment, they are running a grave risk of being outdistanced by competition from countries where imposts are less onerous.

There should be grounds for hoping that the Government could reduce taxes in the not distant future. It would not seem illogical to think that, inasmuch as the large disbursements incidental to the construction and enlargement of a great number of plants, dockyards and airports are now completed, war expenditures should show signs of contraction.

While on the subject of taxation, may I direct your attention to a matter which is developing into a serious situation. As you know, public services in the Province of Ontario are not subject to income taxes whereas they are subject to these imposts in most of the other provinces. This anomaly cannot be brushed aside by the mere mention that in one case public ownership prevails whereas elsewhere the same services are under private control. The taxpayer is not much concerned with constitutional distinctions and juridical subtleties; he finds that he is called upon to pay more, as the taxes are added to service charges, and he is firmly of the opinion that all citizens of a country should be equal before the taxing authorities.

THE RENTAL VALUE OF MONEY

The policy of the Federal Government has been directed towards the reduction of the rental value of money. This policy is propitious to the launching of new loans and the conversions of loans of the Federal Government, of the Provinces and of the municipal bodies; it would also be advantageous to private finance and to business in general, were it not for federal taxation. In point of fact a number of companies are not over-zealous in the matter of improving their financial set-up, through the retirement of their bonds or their conversion at lower interest rates, for the Government has removed the incentive by appropriating the economies or the additional profits that would be so realized. The present policy discriminates against companies whose financial structure is the soundest and who are the best prepared to adapt themselves to post-war conditions.

On the return of peace, foreign capital, particularly capital available in the United States, will seek employment in countries offering sound and stable political conditions, with well disciplined labour, conscious not only of its rights but also of its social responsibilities. Capital will no doubt take into account a third element, that is a relatively better return on money invested. A policy of cheap money is desirable during the war to ease public financing, but it should not be maintained over-long if we believe that this country is still in need of foreign capital to foster the development of its resources.

THE NATIONALIZATION OF BANKS

The much publicized project of nationalizing the chartered banks of Canada has become the subject matter of political controversy, and I do not propose to dwell at length on this question. Suffice it to state that those who cherish the idea that a state-owned and administered bank would loan money to all and sundry at rates much lower than those now prevailing are labouring under a delusion. A glance at the forms for income tax returns, articles 36 and 39, will convince the doubters that the Government does not hesitate to stipulate a rate of interest of 8% per annum on deferred payments or on balances of income taxes.

AN INTERNATIONAL STABILIZATION FUND

A number of experts are now giving careful study to the problem of restoring international trade in the immediate post-war period. There are two methods of exchanging goods and services as between individuals and nations: one is through barter and the other through the use of currency. Barter is a clumsy and obsolete method and is a deterrent to the free movement of goods from one country to another. The use of currency, far more practical, is not exempt of pitfalls. Currencies, when divorced from gold, are delicate instruments to handle and are apt to get out of order.

Currency balances are constituted abroad for the purpose of making investments or of paying for or ordering goods. It is therefore important to bear in mind that when currency is made available by one country to another country, this transaction is meant to cover the transfer of wealth and of the product of toil; it goes without saying that such action must be taken with great care and with due regard to the legitimate interests of the countries concerned.

In Great Britain, in the United States and in Canada, competent experts have suggested various measures which, under different names, have similar purposes in view. In England, an international clearing union is suggested whereas the United States stresses the advantages of an international stabilization fund. Canadian specialists appear to have attached more importance to the measures under consideration than to the words defining the proposals.

When appropriate and generally acceptable solutions have been found, it will become necessary to assure their practicable realization. Where will this international dove alight in this nationalistic world? It must alight somewhere. It will become necessary to incorporate the soul of this new organism into a body and give it a constitution. It must function in scores of countries, it will be called upon to hold gold and to open credits throughout the world. The Bank for International Settlements is a Swiss corporation. Why not make the International Stabilization Fund a Canadian company? Our country has men capable of administering an undertaking of this magnitude. Canada is greatly interested in the growth of international trade and yet it is not powerful enough to make other countries suspicious that it might wish to dominate the economy of the world. Moreover, Canada would be in excellent situation to co-operate, understandingly, with two of the greatest trading nations of the world.

THE POST-WAR

Will this new year see the return of peace, at least in Europe? It would be rash to hazard a definite answer. But whether peace be near or long delayed, it does not seem premature to prepare therefor. What rank will Canada attain amongst the nations of the world in the post-war period? Our country possesses abundant and varied natural resources. Our supply of labour will be much greater than before the war. To our great railway systems will be added a merchant marine of no mean importance and a commercial aviation of considerable size. Situated at the cross-roads of the great aerial routes, our country will have a large number of aircraft plants, airports, pilots and technicians. If we wish to derive the greatest measure of advantage from these assets, it is of paramount importance that we maintain a sound currency, a well balanced taxation structure, a realistic commercial policy and a political regime directed towards the stimulation of private initiative.

DICTATORSHIP OR FREEDOM

As frequently happens in periods of general upheaval, there are a number of people nowadays who would revise our whole economic setup, including the system of free enterprise which has so greatly contributed to the development of our country. All the shortcomings and failings of human nature are attributed to the present economic system. But if you substituted therefor another system, devised by men who have not as yet demonstrated their infallibility, humanity would be assured of a return to the conditions existing in the Garden of Eden. For some the millennium is another word for some kind of planned economy whilst for others it is some form of disguised socialism.

Governments are warranted in intervening in the realm of economics for the purpose of repressing or, far better, of preventing abuses. Their principal function is to create, through sane and prudent legislation and administration, conditions apt to promote economic activity and social progress. Let us not confuse the feverish activity due to war-time conditions and the improvisations, frequently ill-considered, of the State pledging billions of dollars to the construction and exploitation of plants which, at the end of the war, will be as bare of workers as they will be of orders, with sound undertakings in which individuals have invested their capital and their brains to insure their success. It is not the State who has done away with unemployment; this has been brought about by the citizens of this country who, by their toil, their taxes and their subscriptions to public loans, have again set in high gear the economic machine which, before the war, was working in low gear.

Investment Notes

Toronto Stock Exchange reports sale of a seat recorded in the name of C. C. Fields, of C. C. Fields & Co., to Charles King, of Charles King & Co., New York, for $26,000. The sale is subject to election of Mr. King as a member of the Exchange. The last sale of a seat took place at $25,500.

* * *

International Utilities Corp. and Dominion Gas & Electric Co. have had their exemption from certain clauses of the Public Utility Holding Company Act of 1935 extended by the Securities & Exchange Commission. The extension will carry to June 30, 1944.

* * *

St. Lawrence Paper Mills Co. reports 5,560 shares of its preferred stock had been surrendered for cancallation up to Dec. 31, 1943. This left a balance of 30,000 shares of preferred stock outstanding at the close of the year.

* * *

Canadian Car & Foundry Co. report that certificates representing 237,283 shares of preference stock have been exchanged for the new certificates. This represents approximately 86% of the outstanding stock.

Inflation Signs in Germany

Note Circulation Up After Summer's Setbacks

Some 20 years ago it was possible to buy bundles of 100,000 to one million marks in the streets of London for a few shillings. Schoolboys and adults did so, hoping for a re-establishment of German currency: they were deprived of this satisfaction by the invention of the "renten-mark," which replaced the war mark.

The appearance of these tattered sheaves of paper on London street corners was contemporary with scenes in Berlin and Hamburg, which the older inhabitants have never forgotten. At one time it was necessary for everyone in receipt of a salary, or a fixed income, in Germany to do his marketing within minutes of receiving the money from his employer or bank. People were actually compelled to run, often carrying a basket or suitcase filled with paper currency, to the shops, so they might buy food before the mark fell still further. Eventually the middle classes of Germany were more or less bankrupt.

Ministry of Economic Warfare

Although such a state of affairs has not yet reappeared in Germany there have been certain familiar indications, duly noted by the British Ministry of Economic Warfare, which point to the beginnings of inflation.

Factors contributing to this situation include the heavy war expenditures Germany is forced to make to keep her war machine functioning and shortages of goods. Masses of supplies and materials lost to the victorious Allied armies have had to be replaced, adding to the financial load, as has the task of repairing war industries damaged by Allied bombing, in which the RCAF has had such a large part.

Germany is a dictatorship, and a dictatorship can conceal much. What it cannot conceal are certain figures —note circulation, stock exchange quotations—and the messages they convey. The first sign of inflation in any country is an increase in note circulation without a corresponding increase in production of goods.

Money for Reconstruction

In recent months not only has the Nazi Government had to raise money to buy war munitions, but also to reconstruct bombed industries. Note circulation in Germany at the beginning of the war was around 10 billion marks. It rose on the average about 400 millions a month. But between June 30 and Aug. 31 this year, during which time among other attacks the Battle of Hamburg took place and the efect of the Russian successes and the Battles of Italy and Sicily were being felt, note circulation rose 2.3 billion marks or almost three times the normal rate.

The capital expenditure, which the Germans have been forced to lay out for repairs to damaged industries also is reflected in the budget. There was a large increase in the German Government debt in the month of August, according to reports, when the net addition amounted to 8.4 billion marks, beating the previous record—the May increase—by 500 million marks. Over the year, to Aug. 31, the debt increased by 63 billion marks. Two thirds of the increase is represented by short-term borrowings indicating the investor does not look favorably on lending to the government for any but on short-term period.

A large part of this reconstruction money is necessarily ear-marked for immediate cases of compensation. The Nazi rulers gave a public guarantee about compensation before they knew the vast sums in which it would involve them, and they cannot retract now. There are nine square miles of complete devastation in Hamburg alone. Accordingly total compensation claims now being made bear little relation to that expected by Goering, who once promised complete immunity from bombing.

Thus do the citizens of Germany perceive the returning shadow of the greatest catastrophe they ever knew. For inflation was to the civilian what the front line had been to the soldiers—defeat.

What few consumers goods there are, are increasingly consumed, it is true, but not always by the people. There are the invincible fires that follow our aerial onslaughts. Only the urgent cases among the raid victims were permitted to buy clothes. Since manufacture of new clothes and underwear is now prohibited, the re-introduction of the former clothes rationing system would seem a practical impossibility.

The problem is not one of clothing alone. Similarly, all domestic necessities including kitchen utensils, stores and ovens, can now only be supplied against emergency certificates, and only to raid victims.

Investing in Shares

The chief protection against inflation, for the minority with the necessary money, is to invest in shares of firms which provide absolutely necessary goods, such as certain basic foods, like bread, or services, like light and water. Alcohol and tobacco are not absolutely necessary, but shares in them are worth buying in times of inflation, since people insist on buying them no matter how severe existence becomes. Unlike fixed interest bearing securities which may dwindle in inflation, to the vanishing point, the other kind of security rises with expanding currency, returning a commensurate profit. However, while prices incline to rise, purchasing power diminishes. Consequently, the Nazi Government, unwilling to see the investors profiteering, placed a ceiling on the price of shares and limited dividends by law.

This would seem to have destroyed the advantages which an investor might expect from such shares as distinct from fixed interest bearing securities. Even so, they remained the favorite German form of investment because it was anticipated that when, after the war, artificial control was removed, the shares would rise appreciably. As a result, careful observation by the British Ministry of Economic Warfare showed the greater number of these shares have remained steadily at the "ceiling" price, far below that which would obtain in an open market, and very few owners have been willing to sell. It was their insurance against inflation.

We now come to the crucial and most interesting point in the latest German financial developments. In the week ended Aug. 13, shares of the Hamburg Electricity Co. fell from the "ceiling" price by 6¾%. Other shares, in equally vital commodities, accompanied them. Confidence in the companies concerned had failed, and not only because they now owned, instead of factories, heaps of rubble. The German Government had guaranteed that the dividends would continue to be paid, and, in addition, that the smashed factories would be rebuilt after the war at State expense. It might well have been expected that the share prices would have stayed, as they had done till then, at "ceiling" level. The shareholder was to have lost no income. The factories were to have been rebuilt. And the insurance against inflation would remain.

But something had happened meanwhile. The confidence of the German people in their Government —in short, morale—had begun to fail.

Bank of Canada's Note Issue Shows 26% Increase in 1943

Monthly statement of the Bank of Canada as at Dec. 31, which coincides with close of the bank's fiscal year, indicates that over the 12-month period, note circulation has increased 26%, total deposits rose 14.4% and total assets, chiefly investments, expanded 24%.

The rise in note circulation is attributed to continuation of conditions evident in the war years: more active business, higher prices and larger payrolls, all of which require more cash. In addition, many people have tended to keep more money on their persons and the chartered banks have found it desirable to keep more cash in their tills.

Expansion in total deposits was partly the result of the chartered banks increasing their reserves with the Bank of Canada against their own public deposit accounts. The rise in investments reflects war financing by the Government.

Figures for Dec. 31 and a year ago follow:

BANK OF CANADA CHANGES IN 1943

	Dec. 31 1943 $	Dec. 31 1942 $	Change %
Note cir. ..	874,395,312	693,617,931	+26.0
Total deps.	378,437,730	330,642,005	+14.4
Sterling & U.S. dollars in res. ..	556,336	499,192	+11.8
Investments:			
Dom. & Prov. sh. term secs.	787,578,136	807,227,340	—2.4
Dom. & Prov. other secs.	472,797,116	209,173,382	+126.1
Total	1,260,375,252	1,016,400,722	+24.0
Total assets	1,308,254,678	1,048,211,214	+24.8

Decline Shown In Note Issue

Note circulation of the Bank of Canada showed a small decline in the statement for the week ended Jan. 5, probably reflecting the post-Christmas lull in business and slackened demand for cash. The recession was only a little over $200,000, however. Total deposits were slightly higher.

On the credit side, investments and miscellaneous assets rose, bringing total assets up $10 millions to $1,295 millions.

	Jan. 5 1944 $	Dec. 29 1943 $
Capital paid-up .	5,000,000	5,000,000
Notes in circ. ...	874,696,878	874,911,816
Rest fund	6,472,953	6,472,953
Deposits: Dom. .	50,601,784	24,440,524
Chartered bks..	314,694,498	341,492,316
Other	20,320,122	15,070,611
Total deposits ..	385,616,404	381,003,451
All other liabs. ..	23,273,034	17,646,264
Total liabs.	1,295,059,269	1,285,034,484
Assets		
In Sterl. & U. S.	558,336	609,066
Subsid. coin	166,950	136,663
Investments:		
Dom. gov. sh. ..	795,918,351	789,119,687
Oth. Dom. gov.	472,895,186	477,075,232
Total invest.	1,268,813,537	1,266,194,919
Premises	1,968,499	2,103,752
All other assets .	23,551,947	15,990,084
Total assets	1,295,059,269	1,285,034,484

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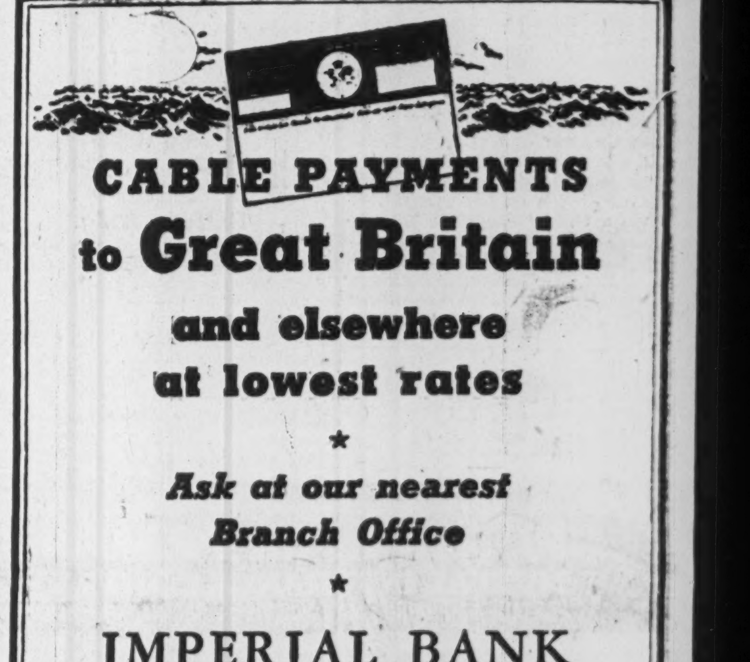

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See Fire Premiums, Losses Up

Renewal of 3-year Policies Big Factor in 1944

Varying trends in fire and casualty insurance are seen as 1944 opens.

In fire insurance higher premium income with a rising trend in fire losses is predicted. In casualty insurance generally a good demand for various types of cover is seen with special expansion forecast in liability lines.

Chief factor in the fire insurance premium situation is that in 1944 many policies written on a three-year term for the first time in 1941 will be coming up for renewal.

As the premium charged for a three-year term is 2½ times one year's premium the amount collected will be substantial.

Change in Law

Some years ago the laws of most of the provinces prevented stock fire insurance companies from writing policies on mercantile risks for more than one year at a time. In 1941, however, the laws of most provinces were changed and stock companies authorized to write mercantile policies for unlimited terms. Accordingly as policies came due during the year they were all converted from one-year to three-year contracts. The result was that 1941 premiums written by Dominion licensed companies that year totalled over $49 millions against $41.3 millions in 1940.

In 1942 and 1943 the gradual conversion of remaining one-year into three-year contracts continued with new buildings constructed generally being insured for the longer term. Accordingly while some expansion is looked for in 1944 over 1943 it is not expected to be as large as that shown in 1941 over 1940.

Fire Loss Trend

Fire losses, however, are expected to increase. The trend in both Canada and the U. S. has been upward and it is not likely to change with the turn of the year. One reason given for the rising trend of fire losses is lack of expert furnace engineers in many industries, the same conditions affecting apartment houses, hotels, churches, schools, etc.

People with little knowledge of the work are looking after heating apparatus and often through ignorance or neglect causing fires. In addition, many industries have been working 24 hours a day making for greater exposure to fire risks.

Fire insurance rates are expected to remain fairly steady following reductions made the last two years. With the trend in losses upward reductions do not appear likely.

A factor in increasing fire insurance losses is the higher cost of construction. Replacements cost more and property values in many cases are higher.

As this is written there are no reliable estimates of premiums in 1943 as compared with 1942. In some quarters it is predicted they will be down, largely due to rate reductions of the last two years taking full effect.

In addition adoption of the new Ontario minimum tariff by companies in the Canadian Underwriters Association has cut the premiums on many properties such as retail stores, etc. This is ultimately expected to bring in more business, the lower rates making insurance more attractive. Meanwhile it is a factor tending to reduce total premium income.

Broaden Cover

A marked tendency in fire insurance in recent months is to broaden the cover given with little or no extra cost to the policyholder. Latest example is the addition during the year of water damage cover to the supplemental contract to the fire policy giving protection against water damage with no extra expense to the policyholder.

In Casualty Lines

In casualty lines, liability insurance is regarded as holding great promise. Recent court decisions for damages sustained in various ways have made liability insurance more desirable. Fidelity insurance is also considered among the most promising lines. Other branches such an accident and sickness insurance, are also regarded as promising. Accordingly casualty insurance generally is thought likely to assume greater importance.

Sarnia Bridge Co.'s old class A and B common shares have been removed from the list of the Montreal Curb Market and replaced with the new shares of no par value.

Sees Life Insurance Grow Despite War's Handicaps

"Despite the handicaps of war, life insurance has steadily grown in size and strength and is in a stronger position today than ever to meet the requirements of the people for protection," says H. W. Manning, president of the Canadian Life Insurance Officers Association, in a year-end statement. Said Mr. Manning:

"Much would be lost if weight were given to some of the doctrines preached today and nothing would be gained by the individual policyholders or by the country as a whole. Without the spur of competition and without the existing administrative machinery and the activities of the agency forces, the volume of life insurance protection enjoyed by Canadians would cease to expand. It might indeed shrink to a small fraction of its present magnitude, thereby leading to much unnecessary poverty and depriving our national economy of a valuable stabilizing element."

Policyholders Interest

Policyholders, he said, do not always realize their policies are title deeds to valuable property held in trust for them by the life insurance companies. They have, therefore, the same financial interest in protecting and preserving their life insurance property as they have in safeguarding any of their other valuable possessions such as securities or real estate he proceeded.

The prestige of the life insurance industry in Canada, he stated, owes much to the Dominion and provincial insurance laws "and their rigid enforcement by experienced and competent officials. Anyone desiring authentic information may always go to these responsible officials if the information they desire is not readily available in their voluminous annual reports."

Because Canadians buy their insurance in an unusually wide and competitive market he maintained monopoly is a term that can never be applied seriously to the life insurance industry in Canada.

New Life 1943 $850 Millions

New insurance issued in Canada in 1943 is estimated by G. D. Finlayson at close to $850 millions with insurance in force at Dec. 31 at about $8.5 billions. New insurance issued in 1942 was $818.6 millions and insurance in force on Dec. 31, 1942, almost $7.9 billions.

Mortality, says Mr. Finlayson, will compare favorably with that of the preceding year but the average rate of interest earned on invested funds he believed when all calculations are complete, will show a further decline below the 4.25% earned in 1942.

B. C. WOOD PULP OUTPUT

Wood pulp production in British Columbia last year had a value of $16.2 millions compared with $14.9 millions the previous year.

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Life Company Shares Show Sharp Value Drop Since 1929

Charges by a CCF spokesman that Canadian life insurance companies make and pay their shareholders large profits draw attention to the experience of these shareholders over a term of years. The figures indicate that in the 15 years since 1929 shareholders have not only seen their dividends shrink but the value of their stocks drop sharply.

Because few life insurance companies list their stocks on the stock exchanges, quotations are in most cases derived from over the counter dealings.

Sun Life

Take the Sun Life. In 1929, during the boom these shares reached a value of $4,150 each, and that year shareholders received a cash dividend of $25 plus a cash bonus of $25. In 1930 two bonuses of $25 each were paid plus the regular dividend of $25, making a total distribution per share that year of $75. In 1931 total payments were $50. In 1932 the July payment was cut to $3.75 and the October dividend was passed. Total dividends that year were $16.25. No further payments were made until April 1, 1937, when a payment of $3.75 was made. This rate was continued until April 1, 1942, when it was cut to $[illegible] where it has since remained.

Thus, during the 15 years shareholders received a total of $289 or an average annual payment of $19.66. But meanwhile value of the shares dropped from $4,150 in 1927 to $140 in 1932. Since then there has been some recovery, the prices in 1943, it is understood, ranging between $300 and $330. Accordingly shareholders since 1929 have suffered a stock value loss of approximately $3,820 while receiving dividends of $289.

Canada Life

Shares of Canada Life in 1929 were quoted on the Toronto Stock Exchange at $900. In 1928 sales were made of shares as high as $1,000 each. Dividends from 1928 to 1931 were at the rate of 30%. In 1932 they were cut to 25% and in 1933 to 20%, where they have remained since. Thus in the 15 years from 1929 to 1943 inclusive, shareholders received $335 or an average of $22.33. But the stock in the same time dropped from $900 to as low as $325 in 1943, it is understood, with the present price at $360. Thus shareholders have suffered a loss in stock value of $540.

Great West

Great West Life shares have fallen from a high of $800 in 1929 to a low of $185 in 1941, the price in 1943 ranging from $240 to $260 a loss of $540 from the 1929 figure.

Dividends paid during the same period were 30% in 1929 and 1930, 27½% in 1931; 20%, 1932 to 1938; 16¼% in 1939; 15% 1940 to 1943. Thus dividends received have totalled $303.75 an average of $20.25 a year. Thus compared with 1929, a shareholder would show a loss of $540 on his stock reduced by dividends received of $303.75 or $236.25.

The figures for three representative Canadian stock companies clearly indicate that, whatever the experience up to and including the boom year 1929, since then shareholders in Canadian life insurance companies are worse off now.

A. E. Naylor Heads Insurance Firm

Fess Retires from Canadian General and Toronto General

A. E. Naylor has been appointed president of the Canadian General and the Toronto General insurance companies, succeeding William P. Fess, who has retired. Mr. Naylor was previously vice-president and director of the Canadian General Insurance Co., and a director of the Toronto General. He is also vice-president Canadian General Securities and Canadian Insurance Shares Ltd., vice-president and general manager Traders Finance Corp. and a director of several other industrial and financial firms.

William F. Spry, formerly chief executive assistant to Mr. Fess becomes vice-president and general manager of the two insurance companies.

United Corporations Ltd. classes A and B shares have been transferred from the unlisted to the listed section of the Montreal Curb Market. The listing covers 64,270 shares of A stock and 239,790 B shares.

Insurance Sales $535 Millions

Sales of new, ordinary life insurance in Canada and Newfoundland in November totalled a little over $54 millions. The figures are exclusive of revivals, annuities, group insurance, dividend additions, etc. and are based on returns from 18 companies with 86% of the total business in force. Sales for the same month of 1942 totalled $52 millions.

Total sales for the first 11 months of 1943 were $535 millions.

Ontario led all other provinces in total volume of insurance written, both for the month and for the 11 months. Total from Jan. 1 to Nov. 30 last year was $489 millions.

Sales by provinces follow.

Sales for November

	1943 (000)
British Columbia	$ 3,735
Alberta	2,862
Saskatchewan	2,368
Manitoba	3,416
Ontario	22,116
Quebec	14,594
New Brunswick	1,535
Nova Scotia	2,215
Prince Edward Island	366
Newfoundland	880
Total	$ 54,087
British Columbia	40,451
Alberta	29,624
Saskatchewan	19,387
Manitoba	30,283
Ontario	224,677
Quebec	140,1[illegible]0
New Brunswick	15,794
Nova Scotia	22,626
Prince Edward Island	3,[illegible]
Newfoundland	8,643
Total	$535,009

DIRECTORS AND OFFICERS
HON. D. L. CAMPBELL, M.L.A.
E. D. ALDER
ROBERT McDERMOTT
JAMES McKENZIE
J. C. MILLER, K.C.
ARTHUR SULLIVAN, K.C., Wpg.
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M. G. TIDSBURY, President
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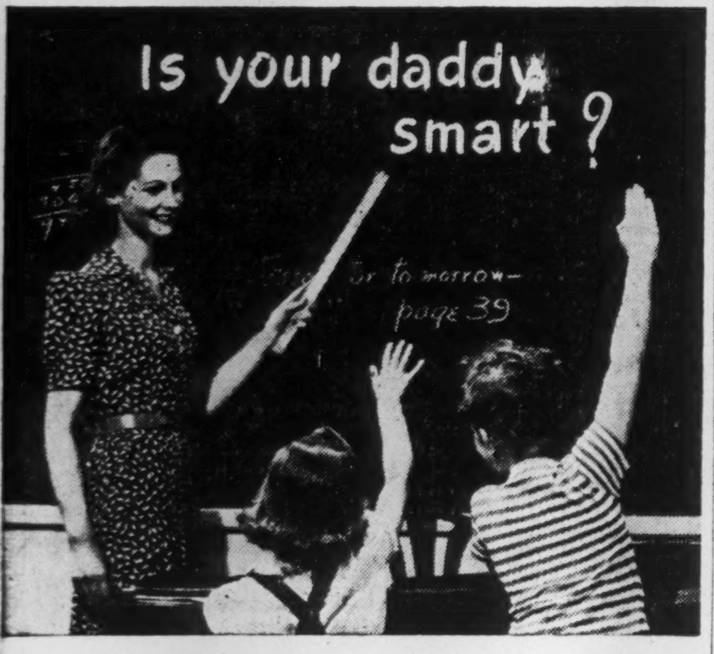
A. G. HALL, Treasurer
A. H. THORPE, Mgr.-Secretary
THE PORTAGE MUTUAL INSURANCE CO. EST. 1884
MUTUAL SERVICE WITH SECURITY
FIRE and WINDSTORM
The PORTAGE LA PRAIRIE MUTUAL INSURANCE COMPANY
PORTAGE LA PRAIRIE, MAN. WINNIPEG, REGINA, EDMONTON



"Sure he is!"

Our house and contents are covered by Fire Insurance . . . and Daddy carries Burglary, Public Liability and Property Damage Coverage. If our house burns to the ground, a burglar steals our valuables, or someone gets knocked down by our car, insurance will take care of everything.

Daddy says he is protecting himself in order to protect our future.

Think it over! Are you doing everything you can to assure a future for your family? Insurance is your best protection and the cost is slight. A Norwich Union agent will give you complete information on insurance to cover all contingencies.

NORWICH UNION
Fire Insurance Society, Limited
Head Office for Canada:
12 Wellington Street East, Toronto

Here's Why Canada's Transportation System Hasn't Bogged Down as it Did in the Last War*

The Story at a glance

Canadian Railways	1914	1918	1941
Locomotives	5,447	5,756	4,199
Freight cars	204,690	209,243	155,240
Miles, Right-of-Way	30,795	38,879	43,579
Commercial Registrations	533	7,529	278,771
Miles Surfaced Highway	?	47,695*	120,971

*—These figures for 1922, first year statistics are available.

During the last war, America's transportation system broke down. In 1917, the United States Government had to take over the railways in that country. In Canada, freight embargoes were imposed, shipments were seriously delayed, shippers' problems were a nightmare. The combined capacities of the railroads were overtaxed and the Canadian Railway War Board had to be created to handle the situation.

Today, Canada's railroads have 27% fewer locomotives and 26% fewer freight cars with 12% more miles of right-of-way to serve. **But, so far, Canada's transportation hasn't bogged down.**

One reason for this, of course, is that the railroads have done a far better job than they did in World War 1 —moving more freight with less equipment.

But the main reason is that, today, **Canada has a $500,000,000 highway transportation industry which was practically non-existent during the last war.**

Use Scarce Materials Wisely

A Truck-and-Trailer produces at least four times as many ton-miles of work for every ton of material used in its construction as does a railroad box car.

* *

Trailers have a 50% greater payload to weight ratio than freight cars.

For instance, Canada's common-carrier trucks and Trailers handled 21 million tons of freight last year. They have provided a necessary, fast, flexible service which the railways cannot duplicate, have taken up much of the slack in railroad facilities, and have made it possible to move the tremendously increased tonnages Canada is producing for this war.

***But There's Danger of Collapse**

Trucks and Trailers do wear out. But scarcely any Trailers have been built for service on the home front since 1941. The back-log of urgently needed equipment is tremendous . . . but no production of Trailers has been authorized for 1944, although the Trailer Industry is in a position to start manufacturing.

Obviously, motor transport cannot continue to prevent a repetition of the World War 1 collapse without a sufficient number of replacement vehicles.

Fruehauf Trailer Company of Canada, Limited
Toronto, Ontario — Montreal, Quebec
"ENGINEERED TRANSPORTATION"

THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto
Week ending Monday close

WEEK ENDING JANUARY 10

[illegible]

Winnipeg and Vancouver
Week ending Saturday close

[illegible]

Mining Stocks
Week Ending January 10

[illegible]

Oil Stocks

[illegible]

* Yield including bonus. † Paid in 1943.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Jan. 11	44,200	13,900	784,000	......
Jan. 10	16,600	36,300	479,000	20,385
Jan. 8	9,400	47,600	229,000	14,923
Jan. 7	22,600	10,300	452,000	21,680
Jan. 6	23,200	6,200	711,000	43,300
Jan. 5	40,200	13,600	731,000	48,385

Government Bonds
(Supplied by Investment Dealers' Assoc. of Canada)

Jan. 11, 1944

%	Due	Bid	Ask.
2	June 1944	100¼	100½
1½	Sept. 1944	100	100½
4½	Oct. 1944	102¼	103
2½	Nov. 1944	101	101½
2	Mar. 1945	100½	101¼
2	Dec. 1946	100½	101¼
4½	Feb. 1946	105¼	106¼
2½	Mar. 1948	100¼	101¼
1½	May 1946	100	100½
*2½	Jan. 1948	102½	103¼
3½	June 1949	102½	103¼
3½	Oct. 1949	101¼	102¼
3	June 1951	103	104
3½	Nov. 1951	103¼	104¼
3½	Feb. 1952	104¼	105¼
3	Oct. 1952	101½	102½
4	Oct. 1952	106	107
*3	Jan. 1953	102½	103½
3	June 1955	100¼	101¼
3	Nov. 1956	100½	101¼
4½	Nov. 1956	106¼	107¼
4½	Nov. 1957	107¼	108¼
3	Mar. 1954	101½	102½
*3	Jan. 1958	101¼	102¼
3	June 1958	99½	100½
4½	Nov. 1958	108½	109½
4½	Nov. 1959	109½	110½
*4	Oct. 1960	108½	109¼
*3½	Jan. 1961	103½	105¼
3½	June 1966	102	103¼
*3	Jan. 1967	101¼	102¼
*3	Nov. 1968	101¼	102¼
3	Perpetual	94¼	95¼
4th Victory Loan:			
1½	May 1947	99½	100
3	Jan. 1956-59	99?	100¼
5th Victory Loan:			
1½	May 1947	99½	100
3	Jan. 1956-59	99½	100
Dominion Guarant'd Bonds			
Can. Natl. Railways:			
2½	Jan. 1946	100½	101½
3	May 1944	100¼	101¼

%	Due	Bid	Ask.
3	Dec. 1950	101½	102½
3	Jan. 1959	99¼	100¼
4½	Sept. 1951	122¼	123½
4½	Feb. 1956	126¼	128
4½	July 1957	127½	129¼
3	Feb. 1953	100½	101¼
4½	June 1955	128¼	129½
5	Feb. 1954	117¼	118½
5	July 1969	116¼	117½
5	Oct. 1969	127¼	128¼
5	Feb. 1970	127	128¼
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955	129½	131¼
Grand Trunk Pacific Rly.:			
3	Jan. 1962	109¼	111
Provincial Govt. Bonds			
New Brunswick:			
4	Nov. 1947	111½	113½
3	Oct. 1951	98¼	100¼
3½	Aug. 1949	99¼	101¼
3½	June 1956	100½	102½
4½	Apr. 1961	118¼	120¼
5	Jan. 1960	124¼	126¼
Nova Scotia:			
3	Jan. 1952	99¼	101¼
3½	June 1956	100½	102½
3½	Nov. 1950	103¼	105¼
4½	Sept. 1952	115¼	117¼
4½	Nov. 1960	124¼	127¼
5	Mar. 1960	129¼	131¼
Ontario:			
2½	May 1945	100¼	101¼
3	Apr. 1948	100½	102¼
3	Nov. 1950	100¼	102
3½	Nov. 1951	102	103¼
3½	May 1955	101¼	102½
4	June 1962	121	123¼
½	June 1950	109	110¼
4½	Jan. 1962	127	129
5	Oct. 1948	109¼	111
5	Dec. 1960	134	136
5½	July 1946	107	108¼

%	Due	Bid	Ask.
Ont. Hydro Commission:			
3	Aug. 1948	100½	102¼
3½	Feb. 1953	101	102¼
3½	Apr. 1947	103½	104½
Prince Edward Island:			
4	Mar. 1954	101¼	103¼
Quebec:			
3	Nov. 1947	100¼	102
3½	Mar. 1948	101	102¼
3½	Mar. 1959	101¼	102½
4	Nov. 1932	103¼	105
3½	Feb. 1955	103¼	104½
4½	Aug. 1958	108¼	110¼
4½	Jan. 1963	113	115
Alberta:			
4½	Oct. 1956	82¼	85
4	Dec. 1954	80¼	83¼
5	Oct. 1959	83¼	86
5½	Apr. 1952	84¼	87
6	Mar. 1947	85	87¼
British Columbia:			
4	Dec. 1957	116	118
4½	Jan. 1951	118½	121¼
4½	Oct. 1953	119¼	121½
5	Apr. 1954	121½	124¼
5½	Feb. 1945	102	104
6	Feb. 1947	107¼	109¼
Manitoba:			
4	Dec. 1957	109	111
4½	Dec. 1956	112½	115¼
5	Dec. 1959	118½	121¼
5½	Oct. 1955	112½	115¼
6	Apr. 1947	106¼	108½
Saskatchewan:			
4	Sept. 1954	89½	91½
4	Nov. 1950	88½	91¼
4½	Oct. 1951	101½	103¼
4½	Mar. 1960	95½	98¼
5	Aug. 1958	98½	101¼
5½	Oct. 1952	99½	102¼
6	Mar. 1952	102¼	104½

*Payable N.Y.

Unlisted Stocks
(Furnished by A. J. Pattison Jr. & Co., Toronto)

Jan. 11, 1944

Industrials:	Bid	Ask.
Andian National	23¼	25
Anglo C. Tel., A	8¼	9¼
Atlas Steels, c.	25	26¼
Do., pref.	105	..
B. C. Pulp, c.	12¼	..
Do., pfd.	73	78
B. C. Sugar	73	78
B. C. Tel., p.	112	..
Brown, com.	1½	2¼
Do., 6% pd.	33	35
Burns & Co., A	9½	..
Do., B	5½	..
Canada Tea, p.	40	..
Can. Indust., A	155	..
Can. Mach., p.	6¼	8¼
Can. Ing. Rand	53	63
Can. Mot. L.A.B.	8¼	9¼
Cap. W. Cloth, p.	17¼	20
Cassidy's, pfd.	53	..
Col. Realty	3	..
Chase, A. W., p.	16	..
Colonial Steam.	62	66
Corr. Box, c.	1¼	3¼
Detroit Int. Br.	4¼	..
Dover Ind.	8¼	..
Dunlop T., p. $25	24	25¼
Edm. St. Yards	40	..
Galt Brass, c.	12	..
Goderich Elev.	11¼	13
Guard. Realty, p.	18	21
Gurney Fdy., p.	2	2¼
Hart Battery	5½	..
Hayes Steel, c.	13¼	15
High. Dairy, pf.	51	..
Ingram & Bell, p.	92¼	..
Kingst. ship., c.	12	15
Loblaw Inc., c.	10½	11¼
Minn. & Ont., c.	9	10
Mt. Royal Htl., c.	3	..
M'row Screw, p.	100	..
Do., com.	14	..
Moirs, pfd.	40	..

	Bid	Ask.
Morrison Br. pd.	..	14
Neilson, Wm. C.	11	..
Do., p.	101	..
N. Meth. Ldy., p.	76	..
Quinte Milk	3	..
Prov. Paper, p.	99¼	101
River. Silk. B	2¼	..
Stand. Fuel, c.	1	..
Stand. Fuel, p.	69	..
Stedman, pf. $50	55	58
Sutton Horsley	..	1¼
Tor. Carpet, c.	70	..
U. Stk. Yd. Sask. p	80	..
Un. Steel, A, pf.	23	25
Viceroy Mfg., c.	16	22¼
Do., pref.	23¼	26
West. Grain, pfd.	29¼	33
Trust & Loan Stocks:		
British Mtge.	125	135
Capital Trust	28¼	32
Comm. Fin., c.	7¼	8¼
Crown Trust	59	..
Eastern Tr.	145	..
Grey B. Tr. $50	47	..
Guelph & O. $50	49	55
Indust. Mtge.	25	..
Lambton Loan	35	40
Lond. & W. Trust	37	..
Midland Loan	14	17
Montreal Tr.	63	..
N. S. Trust	143	..
Premier Trust	38¼	..
Royal Trust	65	..
Sherbrooke Tr.	120	..
Sterling Trust	56	..
Trusts & Guar.	37	..
Victoria Trust	73	80
Waterloo Trust	100	105
Insurance Stocks:		
Brit. Amer.	51	..
Canadian Fire	74	..

	Bid	Ask.
Canada Life	355	375
Confed. 30% pd.	125	133
Continental L.	..	31¼
Crown Life	250	..
D. of Can. Gen.	125	140
Dom. Life	175	..
Empire, 25% pd.	8	9
Excelsior 40% pd.	77	..
Great-West Life	250	..
Guar. N. Amer.	200	..
Halifax Fire	14¼	16¼
Imperial Life	250	..
Manufac. Life	240	..
Monarch 20% pd.	37	..
Maritime Life	20	..
National Life	10	..
Sov. L. 25% pd.	15	..
Sun Life	310	..
Tor. General	4¼	5¼
Western Assce.	44	..
Do., pref.	41	..
Western Life	11	..
Investment Trust Shares:		
Deb. & Sec., pf.	75	..
Th. Can. Inv. Tr.	2¼	3
Theatre Stocks:		
Allen's St. Cath. units	62	
Do., Kingston	65	70
Do., Toronto, p.	35	..
Para. Kitch., p.	48¼	..
Do., Oshawa, c.	10	..
Do., Oshawa, p.	85	..
Power Issues:		
Can. W. Nat. Gas	28	..
Do., pfd.	104	..
Gt. Lakes Pr., p.	111	114
Mtl. Is. Pwr., p.	41	..
N. B. Telephone	11	13¼
Nor. Ont. Pwr. p.	72	78

Unlisted Mines
Toronto, Jan. 11, 1944

	Bid.	Ask.
Alba R (new)	.12	.14
Aljo	.23	.26
Algo Cop	..	.16
Amal Kir	.17¼	.18¼
Ama Lar	1.05	1.10
Amiemica	.15	.18
Anna'que	.12	.14
Anoki	.09	.10
Apex Oil	.16	.18
Area	.11	.13
Arntfield	.08	.09
Banca	.50	.55
Bar Lar	.17	.18¼
Brock	.14	.15
Calder Bo	.07	.08¼
Cen Mani	.03¼	.04¼
Cheminis	.21¼	.22¼
Classic S	.19	.23
Clift Con	.06¼	.08
Cock R L	.12¼	.13¼
Columbier	.12	.15
Cons Chib	.08	.10
Crowshore	.03¼	.05
Dack Crk	.13	.15
Demp Cd	.05½	.06¼
Detomac	.29	.34
Der R L	.21¼	.22¼
De Santis (new)	.06	.08
Dom Nic	.08	.10
Dona Pat	.06	.07
Eastward	.29	.32
Electra	.11	.13
Enter Fi	1.45	1.60
Goodrock	.02¼	.02½
Gr Prair	.29	.33
G L Iron	.05	.06
Gunflint	.12	.14
Harp Mal	.04	.05
Hayes Cad	.03	.03½
Highridge	.07	.09
Hoyle n'w	.17	.18
Hugh P P	.13	.15
Laguerre	.30	.32
Lk Geneva	.05	.07
Lar-Add	.11½	.13
Larder U	.10¼	.13¼
Largold	.17	.19
Legardo	.12	.14
Magn Con	.31	.34
Marbenor	.27	.29
Mar Bird	.08	.09
Mat Con	.17	..
Metalore	.11	.15
Mica Spar	.48	.52
Moffatt H (new)	.04	.04½
Mosher	.13	.14
Moosewoo	.12	.14
McManus	.04	.05
McMarma	.16¼	.18
Nat Mal	.37	.39
Naybob	.01¼	.02¼
New Aug	.24	.26
Nick Off	1.10	1.25
New Mal	.23	.24
Norbeau	.40	.44
Norbenite	.21	.24
Norseman	..	.10
Obalski	.09	.10
Oklend	.08	.09
O'L Mala	.10¼	.11¼
Opemiska	.05¼	.06¼
Orpit	.06	.07
Pascalis	.35	.37
Pelangio	.07½	.08¼
Pontiac R (old)	.14	.16
Pt Coldw	..	.31
Presdor	.04¼	.04½
Que Mapi	.20	.22
Rand Mal	.34	.36
Raylartic	.08	.10
Rebair	.37	.42
Ritoria	.12¼	.13¼
S.A.G.A.	.80	1.00
Sheldon	.34	.36
Stadacona	.15	.18
Thomso L	.17	..
Thurbois	..	.18
Tom Iron	..	.60
Tombill	.12	.14
Tovarich	.08¼	.09¼
Un Mining	.07	.09
Virgo	.29	.31
Wesley	.02¼	.03
West R L	.04	.04¼
West Shor	.03	.04
Y Davids	.34	.36

Oil Royalties
Producing Wells — Prices and Payments

	Dec. daily quota bbls.§	Mar. 15 daily quota bbls.§	Aug. pay. 1% $	Sept. pay 1% $	Nov. pay. 1% $	Total to Nov. 30 1% $	Offering price* per 1% $
Ace No. 1 gross	300	386	147.67	128.91	139.88	5,850.70	5,000
Alta. Oil Inc. No. 1 gr.	50	65	28.00	22.40	21.60	3,907.60	....
Do., No. 1 net	50	65	21.20	17.20	20.40	4,380.40	....
Do., No. 2 gr.	300	389	137.60	136.40	127.20	5,928.20	....
[illegible]							
Do., No. 1 gr.	280	300	142.40	126.00	125.60	6,310.79	4,500
Do., No. 2 pfd.	110	200	65.44	62.71	52.90	......	1,800
Do., No. 2 gr.	110	200	62.40	66.40	50.40	1,733.38	....
Miracle No. 3 pfd.	300	...	....	....	....	......	2,500
Do., No. 3 gr.	300	...	145.66	.	▲145.56	......	....
National Vulcan	150	...	....	....	....	......	2,300
Twin City No. 2 gr.	165	...	84.99	77.70	70.59	......	[illegible]

* Approximately 25% over dealers' bid price.
§ Approximate
■ Ontario Acreage Royalty. ‡To Sept. 30. ▲Oct. payments.
† Increased payment represents distribution of a reserve against possible increase in gross payment to Alberta Gov't. (which increase was not allowed in court). Payment must not be considered a regular payment.

STOCKS NOT TRADED THIS WEEK

[illegible]

Mining Stocks

[illegible]

Oil Stocks

	Div. rate $	Last sale	Jan. 10 Bid	Ask
[illegible]				
Alta. Pac. Cons.	...	.11	.11½	.14
Brown Oil debs.	2½%	30.00	..	30.00
Common Pete	...	.30	.28	.31
Grease Creek	...	.02½	.01	..
High Sarcee	...	.11	.11½	.15
Marvel	...	.01	..	.04
Mill City	†.03	.06	.05½	..
National Petroleum	...	.08	.08	..
Petrol Oil & Gas	.02	.20	..	..
Royal Crest	.01	.01½	..	..
South West Pete.	...	.26	.24	.35
Spooner	...	.07	.05½	.10
Texas Can.	...	1.00	1.10	1.50

† Paid in 1943.

Supplementary Stock Quotations
(Furnished by Plaxton, McDonnell & Co. Toronto)

January 11, 1944

Miscellaneous Stocks:	Bid	Asked
*Acme Farmers, pf.	38	..
Allens Lond. Thea., pfd	45	..
Atlas Steels, 7% 2nd pf	107¼	109¼
Brantford Roofing, c	5½	..
Brinton-Peterboro Cpt.	55	62
Can. Co-op. Wool.	8¼	10
Can. Fairbanks, com.	20	..
Can Investors Corp.	5½	6¼
Can. Paving 1st pfd.	2½	..
Can. West Lumber, c.	.60	.95
Cap. Wirecloth, com.	5¼	6¼
Cawthra Apts. pfd	3	..
*Claude Neon, 7% pfd.	9	..
Commer. Life 10% pd.	6	..
Eastern Steel 5% pref.	20¼	21¼
†Easy Wash., 7% pref.	10¼	11¼
Fed. F'dries & Steel, c.	.12	.17
Highland Dairy c.	1	..
Homewood Sanitarium	85	..
Hudson's Bay Ord	6¼	..
Insce. Exch. Bldg., c.	1¼	1¼
Inter. Util. $3.50 pf.	49¼	51¼
Milton Brick, com	.08	.15
*Monarch Mtge. units	1¼	..
Natl. Drug & Chem., p.	2¼	..
Do., com.	1¼	2
Nat. Hosiery, com.	.95	..
Do., pref.	1.10	..
†Nor. Amer. Elev. 1st pf	80	85
*Do., 2nd pref.	23	26
Do., com.	.25	.50
Nor. Telephone, c.	1	..
Numaque Mining	.05	..
Pacific Coast Terminals	6	..
Quebec Apt's., com.	1½	..
Que. Pulp & Paper pfd	24¼	26
Ritchie Cut Stone pfd	1½	4
P. L. Robertson Mfg. c.	24	..
Do., $2.50 pref.	43¼	45½
E. L. Ruddy, pref.	26	..
Sawyer-Massey com	.50	80
St. John Dryd. 5¼% pfd	96¼	99
Sincennes McN., com.	2	2¼
Un. Farmers Co-op.	3	3½
Waterloo Mfg., com.	3½	4¼
Wentworth Radio, pf.	26	..
York Trading, com.	2½	4

*Issue carries arrears.
†Currently paying on arrears.

Municipal Bonds
Jan. 11, 1944

	%	Due	Bid	Ask.	Yld. %
†Halifax	5	1961	116.00	119.00	3.56
Hamilton	5	1950	110.00	113.00	2.77
Montreal	5	1945	99.00	102.00	*
Ottawa	4½	1945	102.00	104.00	2.00
†Quebec	5	1959	116.25	119.25	3.39
Saint John	5	1950	106.25	109.25	3.50
†Toronto	4½	1955	124.00	127.00	1.78
†Vancouver	5	1970	115.75	118.75	3.85
Winnipeg	6	1950	115.00	117.00	2.63

†Payable Can. & N. Y. *Flat.

Corporation Bonds
(Supplied by Investment Dealers' Association of Canada)

January 11, 1944

[illegible]

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$11.85	$12.04	$11.10
Hogs	17.10	17.10	16.83
Copper, lb.	*.12	.12	.12
Sugar, raw, lb.	*.0374	.0374	.0374
Coffee, lb.	*.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	103.0	102.9	101.4
Dow Jones (fut.)	96.72	96.57	89.02
Fishers'	112.4	112.4	109.8
Monthly Indices			
Canada (D.B.S.):			
Retail (Nov.)	119.4	119.3	118.6
W'sale (Nov.)	102.4	101.9	96.9
U. S. (Oct.)	103.0	103.1	100.0
Gr. Brit. (Oct.)	162.5	162.9	160.1

Note—The base of indices is that 1926 equals 100. † Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. No. 7 coffee, Rio. Sugar—96 degrees centrifugal c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis. Cotton, raw, spot, N.Y.

Bond Redemptions

Bond Issues—	Rate	Year	Due	Price
Gt. Lakes Pwr.†	5%	1957	Feb. 4	103.89
Price Bros.	4%	1957	Mar. 1	100
Atlantic. Sugar	•4%	1951	Mar. 1	102
T. Eaton Realty	*4%	1951	Jan. 28	100
Stop & Shop, A	3%	1947	Apr. 1	103½
Do., 2nd mtge.	3%	1947	Apr. 1	103
Dom. Elec. Pr.	5½%	1955	Mar. 1	103
Do., debs.	6½%	1950	June 1	102

† $20,000. • $62,000 * $315,000.

Investment Trusts

	Bid	Asked
Affiliated Funds	3.32	3.64
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	3.70	4.05
Can. Investors	5.25	6.25
Corp. Investors	6.05	6.50
Trans-Canada	10.35	11.40

Corporation Bonds (Cont'd)

[illegible]

Wheat Prices

Winnipeg Grain Futures
Week of Jan. 10, 1944

Crop year from Aug. 1, 1943 High	Low		High for week	Low for week	Close Jan. 10
Oats*					
.51½	.51½	May	.51½	.51½	.51½
Barley*					
.64¾	.64¾	May	.64¾	.64¾	.64¾
Rye					
1.31⅝	.92⅛	May	1.31⅝	1.25½	1.27½
1.31	1.08½	July	1.31	1.24⅞	1.26⅞

* At ceiling.

Cash Quotations

	For Week Jan. 10, 1944 High	Low	Prev. week High	Low
Oats*:				
2 C. W.	.51½	.51½	.51½	.51½
3 C. W.	.51½	.51½	.51½	.51½
Barley*:				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye:				
2 C. W.	1.27⅜	1.22⅞	1.22⅞	1.21⅜

* At ceiling prices.

Significant Investors' Index Numbers

No. of Securities	Mach and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater 15	Power and traction 14	Banks 8	Total utilities 18	Total co's. 94
(Base 1935-39 = 100)												
*1935 to date:												
High	134.5	234.4	149.7	123.7	135.7	118.3	150.0	153.4	146.8	118.2	145.0	134.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	68.7	60.2	69.0	65.2	61.1
1943: Monthly Figures:												
Jan.	90.3	75.3	82.4	62.9	114.3	88.2	109.7	84.0	88.5	76.7	90.0	76.3
Feb.	94.0	75.8	88.3	67.2	117.4	88.1	111.8	85.0	88.0	78.6	88.0	78.7
Mar	96.7	77.1	89.5	65.6	118.1	81.6	113.9	85.3	88.6	80.2	92.1	79.1
April	100.8	79.6	93.3	67.7	121.1	87.4	128.2	89.5	95.8	80.9	101.4	82.8
May	104.0	89.3	91.6	67.9	119.9	88.7	128.1	91.4	101.0	80.5	106.2	83.7
June	108.6	94.7	96.0	73.2	124.0	89.4	133.5	93.1	111.1	81.4	111.1	86.3
July	110.5	106.8	94.1	84.9	126.0	91.5	137.9	94.5	111.3	81.7	112.4	91.0
Aug.	109.4	104.8	92.2	82.1	125.9	93.4	138.0	93.3	109.0	82.7	109.5	88.9
Sept.	111.4	104.7	91.9	83.5	126.1	93.4	138.5	92.6	110.8	82.8	110.3	89.3
Oct.	110.8	103.0	88.2	81.0	124.8	93.6	143.9	90.8	102.3	81.3	104.3	86.4
[illegible]	103.8	96.5	89.6	74.4	120.3	90.7	142.2	85.2	90.9	79.9	94.1	79.6
1943: Weekly Figures:												
[illegible] 2	103.0	95.6	88.7	72.9	118.6	89.5	143.1	83.3	93.0	78.7	95.0	78.9
[illegible] 9	104.5	100.5	88.0	74.9	119.4	88.1	143.0	83.9	92.8	79.1	96.3	80.6
[illegible] 16	106.1	103.2	90.1	75.4	119.6	87.8	151.6	84.3	93.0	79.0	96.2	80.9
[illegible] 23	105.7	103.6	88.2	74.8	119.7	87.8	146.9	84.0	92.2	78.8	97.7	80.6
[illegible] 30	107.6	103.5	88.6	73.5	118.4	88.6	141.9	83.8	90.8	78.8	96.1	79.9
1944:												
[illegible] 6	109.3	106.9	93.8	76.2	118.9	86.6	144.6	85.6	95.7	78.7	100.2	81.8

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Jan. 11	118.72	104.10	69.61	27.16
Jan. 10	118.70	102.23	69.41	26.90
Jan. 8	119.86	101.72	69.39	26.96
Jan. 7	119.07	101.28	69.36	27.03
Jan. 6	118.31	102.18	69.44	27.18
Jan. 5	118.26	102.03	69.61	27.16
Month ago	117.13	97.73	68.98	26.31
Year ago	101.91	71.73	66.70	19.42
High 1943-4	124.66	102.23	76.40	28.61
Low 1943-4	98.88	70.64	63.57	18.14

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Chd.	10 Pprs.	13 Golds
Jan. 11	55.5	75.9	69.1	128.79	77.10
Jan. 10	55.2	75.5	68.8	123.85	75.80
Jan. 8	55.2	75.6	68.3	122.49	75.62
Jan. 7	55.1	75.3	68.6	122.26	75.59
Jan. 6	55.1	75.1	68.4	123.67	75.63
Jan. 5	55.0	74.9	68.3	128.85	74.81
Month ago	53.5	73.9	67.1	115.27	70.52
Year ago	53.7	65.9	61.8	77.37	51.67
High 1943-4	55.5	75.9	69.1	128.79	77.10
Low 1943-4	53.4	73.8	67.0	116.68	73.60

Dividends Declared

	This payment $	Date payable	Date of record
Alum. of Can., p.	1.25	Feb. 1	Jan. 5
Anglo Huronian	.10	Jan. 21	Dec. 15
Atlas Steels	.15	Feb. 1	Jan. 16
Ang. Tele. pfd.	.68¾	Feb. 1	Jan. 11
Ault & Wiborg. p.	1.37½	Feb. 1	Jan. 15
Bathurst Pwr. "A"	.25	Mar. 1	Jan. 28
Barber Ellis, pfd.	1.75	Jan. 15	Dec. 31
Bell Telephone	2	Jan. 15	Dec. 23
Biltmore Hats	.15	Jan. 15	Dec. 31
Bralorne Mines	.20+.10	Jan. 15	Dec. 20
B. C. Power, A.	.50	Jan. 15	Dec. 31
Brantford Cord. p.	.32½	Jan. 15	Dec. 20
Broulan Porc.	.04½	Feb. 29	Jan. 31
B.C. Elec. Rly., pfd.	2½%	Jan. 15	Dec. 31
Caldwell Linen	.25	Feb. 1	Jan. 15
Do., 1st pref.	.38	Feb. 1	Jan. 15
Do., 2nd pref.	.20	Feb. 1	Jan. 15
Capital Trust	1.50	Mar. 1	Dec. 31
Calgary Power, pfd.	1.50	Feb. 1	Jan. 10
Canada Starch	▪.50	Jan. 15	Jan. 8
Do., pref.	▪3.50	Feb. 15	Feb. 8
Can. South. Rly.	1.50	Feb. 1	Dec. 28
Can. Breweries, pfd.	.85	Apr. 1	Feb. 15
Can. Investors	.10	Feb. 1	Jan. 5
Can. Gen. Invest.	.15	Jan. 15	Dec. 31
Can. Bk. Commerce	1.50	Feb. 1	Dec. 31
Can. Indust. pf.	1.75	Jan. 15	Dec. 15
Can. Pac. Rly., pfd.	2%	Feb. 1	Dec. 31
Can. Nor. Power	▪.15	Jan. 25	Dec. 20
Do., pref.	▪1.75	Jan. 15	Dec. 20
Can. Fairbanks, pfd.	1.50	Jan. 15	Dec. 31
Can. Investors	.10	Feb. 1	Jan. 5
Capital Estates	†.10	Jan. 15	Dec. 31
Can. Bronze	.37½+.50	Feb. 1	Jan. 10
Do., pref.	1.25	Feb. 1	Jan. 10
Can. Cel. inc. fd. rts.	1	Mar. 15	Dec. 31
Can. Converters	.50	Jan. 31	Dec. 15
Can. & For. Secs.	.06	Feb. 1	Jan. 17
Can. Food Prod.	.50	Apr. 1	Feb. 29
Cochenour Willians	.03	Jan. 15	Dec. 20
Comm. Alcohol	.05	Jan. 15	Dec. 31
Do., pref.	.10	Jan. 15	Dec. 31
Commoil	.00½	Feb. 25	Feb. 4
Dom. Fabrics	.20	Feb. 1	Jan. 15
Do., 1st pref.	.75	Feb. 1	Jan. 15
Do., 2nd pref.	.37½	Feb. 1	Jan. 15
Dominion Tar, pf.	1.37½	Feb. 1	Jan. 3
Dom. Oilcloth	.30+.10	Jan. 28	Dec. 27
Dom. Glass	1.25	Jan. 15	Dec. 28
Do., pref.	1.75	Jan. 15	Dec. 28
Distill.-Seag., pfd.	†1.25	Feb. 1	Jan. 15
Dom. Textile, pfd.	1.75	Jan. 15	Dec. 15
Dome Mines	▪.40	Jan. 29	Dec. 30
Dominion Bank	2	Feb. 1	Jan. 15
Dom. Envelope, c.	.10	June 1	May 20
Do.,	.10	Dec. 1, '44	Nov. 20
East. Bakeries, pfd.	1	Jan. 15	Dec. 31
Eastern Steel	.25	Mar. 1	Feb. 12
East. Twp. Tele.	.25	Jan. 15	Dec. 31
Foundation Co.	.35	Jan. 21	Dec. 31
Guardian Realty p.	.50	Jan. 15	Dec. 31
Guaranty Trust	1.25	Jan. 15	Dec. 31
General Trust, pfd.	1.25	Jan. 15	Dec. 31
Gen. Steel Wares, p.	1.75	Feb. 1	Jan. 13
Guar. of N. Am.	1.50+2.50	Jan. 15	Dec. 31
Gt. Lakes Power, pf.	1.75	Jan. 15	Dec. 31
Gordon & Belyea A	2	Feb. 1	Jan. 21
Do. (B)	.40	Feb. 1	Jan. 21
H. Smith Paper, pfd.	1.50	Jan. 20	Dec. 31
Holt-Renfrew, pfd.	3.50	Jan. 15	Dec. 31
Hyd. Elec. Secs., pf.	.25	Feb. 1	Dec. 30
Imperial Bank	2	Feb. 1	Dec. 31
Invest. Found.	•.25	Jan. 15	Dec. 15
Do., pref.	.75	Jan. 15	Dec. 15
Int. Metal pf. A pf.	1.50	Feb. 1	Jan. 10
Inspiration M.	▪.02	Jan. 15	Dec. 10
Intern. Bronze	.20	Jan. 15	Dec. 15
Do., pref.	.37½	Jan. 15	Dec. 15
Intern. Nickel, pfd.	†1.75	Feb. 1	Jan. 3
Inter. Milling 5% pf.	†1	Jan. 15	Dec. 31
Do., 4% pfd.	†1	Jan. 15	Dec. 31
Inter. Util. pr. pfd.	†.87½	Feb. 1	Jan. 21
Lake Dufault	▪.02	Jan. 15	Jan. 5
Lamaque Gold	.10	Feb. 1	Dec. 31
Leitch Gold	.02	Feb. 12	Jan. 31
Loblaw Groc. Inc.	†.15	Feb. 25	Feb. 11
Montreal Tele.	*.48	Jan. 15	Dec. 15
Maritime Tel.	.17½	Jan. 15	Dec. 20
Do., pref.	.17½	Jan. 15	Dec. 20
McColl Fron., pfd.	1.50	Jan. 15	Dec. 31
Melchers Distil., pf.	.30	Jan. 17	Dec. 15
Moneta Porc.	.02	Jan. 15	Dec. 22
McColl Fron. c.	.15	Jan. 31	Dec. 31
Mtl. L. H. Pr.	.38	Jan. 31	Dec. 31
Moirs, pfd.	▴6	Jan. 15	Jan. 3
N.B. Telephone	.13	Jan. 15	Dec. 31
Nat. Steel Car.	.25	Jan. 15	Dec. 15
National Biscuit, c.	†.30	Jan. 15	Dec. 10
Nor. Ont. Pwr.	.12	Jan. 25	Dec. 31
Do., pref.	1.50	Jan. 25	Dec. 31
Ont. Steel Prod.	.25	Feb. 15	Jan. 15
Do., pref.	1.75	Feb. 15	Jan. 15
O'Brien Gold	.04	Jan. 29	Jan. 3
Penmans	.75	Feb. 15	Jan. 17
Do., pref.	1.50	Feb. 1	Jan. 17
Preston E. Dome	.05	Jan. 15	Dec. 15
Power Corp., pfd.	▪1.50	Jan. 15	Dec. 20
Do. 2nd pref.	▪.75	Jan. 15	Dec. 20
Premier Gold	.01	Jan. 15	Dec. 15
Quebec Power	.25	Feb. 25	Jan. 25
Rolland Paper	.15	Feb. 15	Feb. 5
Do., pref	1.50	Mar. 1	Feb. 15
Saguenay Pwr, p.	1.37½	Feb. 1	Jan. 17
Scythes & Co.	.50+.50	Jan. 15	Jan. 3
Do., pref.	87½	Jan. 15	Jan. 3
Silbak Premier	.02	Jan. 25	Dec. 24
Shawinigan W. Pr.	.23	Feb. 25	Jan. 18
Sigma Gold	▪.30	Jan. 28	Dec. 28
South Can. Pwr., c.	.20	Feb. 15	Jan. 20
South Can. Pr., pfd.	▪1.50	Jan. 15	Dec. 20
Sylvanite Gold	.03	Jan. 15	Nov. 15
St. Law. Corp. pf.	.25	Jan. 15	Dec. 27
St. Law. Paper, pfd.	.75	Jan. 15	Dec. 27
Sheep Creek M.	.03	Jan. 15	Dec. 31
Sherwin Wms., c.	.15	Feb. 1	Jan. 10
Sherwin Wms, pd.	1.75	Apr. 1	Mar. 10
Simpsons, pf.	1.62½	Feb. 1	Jan. 15
Do., arrears	2	Feb. 1	Jan. 15
St. Law. Flour	.35	Feb. 1	Dec. 31
Do., pref.	1.75	Feb. 1	Dec. 31
Steel of Can.	.75	Feb. 1	Jan. 7
Do., pref.	.75	Feb. 1	Jan. 7
Toburn Gold	.01	Feb. 22	Jan. 22
Tuckett Tob., pfd.	1.75	Jan. 15	Dec. 31
Teck Hughes G.	.10	Feb. 1	Dec. 31
Un. Bond & Sh.	.25+.10	Jan. 15	Dec. 31
United Corp., A	.38	Feb. 15	Jan. 15
Unit Distillers	.10	Jan. 25	Jan. 13
West. Grocers	.75	Jan. 15	Dec. 15
Do., pref.	1.75	Jan. 15	Dec. 15
Willson Stat., pfd.	1.25	Jan. 15	Dec. 31
Weston, Geo., pfd.	1.25	Feb. 1	Jan. 8
Wood, Alex. J. pf.	1.75	Feb. 1	Jan. 15
Zeller's	.20+.20	Feb. 1	Jan. 15
Do., pref.	.37½	Feb. 1	Jan. 15

▪Subject to approval of Foreign Exchange Control Board.
† Payable in N. Y. funds.
• Initial. * After deducting corporate income tax. ▴ On arrears.

Wheat Duty Still a Factor

Despite Suspension is Included in Calculating Export Price

From Our Own Correspondent

WINNIPEG.—The asking price for Canadian wheat has gone up to the basis of $1.47 for No. 1 Northern in store lakehead terminals, and sales at the new high level are understood to have been made to the Commodity Credit Corporation of the United States.

The advance is due to a rise in prices on the Chicago market. With the Winnipeg futures market no longer functioning, the Canadian asking price is based on Chicago quotations less the duty, temporarily suspended, of 42 cents per bushel. The formulae for calculating the Canadian price from Chicago quotations is somewhat complicated; for in addition to the duty, the difference in exchange between the Canadian and the American dollar has to be taken into account, also the difference between freight rates to lakehead, and those to Minneapolis from points where wheat shipments originate.

Curious Situation

It is curious that the duty of 42 cents per bushel formerly imposed by the United States against wheat imports, and now suspended for 90 days still has to be taken into account when the Canadian Wheat Board figures the price it will ask for wheat. Congress, in suspending duties, applied the suspension only to feed grains, and did not intend to exempt wheat imported for milling. But, as is well known, current imports of Canadian wheat into the United States are designed for livestock feeding. It is a reasonable assumption that Congress intended to exempt them from duty. Quite possibly it thought it was throwing open the door for importing Canadian wheat duty free, through commercial channels. Actually, however, it did nothing of the sort for it did not remove the quota which prohibits more than a few hundred thousand bushels of Canadian wheat being imported during a year.

U. S. Government Imports

Before Congress acted, the government of the United States, through the Commodity Credit Corporation, was importing Canadian wheat, and paying no attention either to quota restrictions or to the duty. The Government was able so to act because the wheat was being imported for war purposes. But commercial interests were precluded from so acting, both because of the quota restriction, and also, if they paid the duty, they would probably not be able to sell the imported product on a basis to compete with the Government Agency. The duty is now off, but the quota restriction is still there. Moreover, even if the quota restriction were removed, it is doubtful if commercial agencies could import. It is only a government agency, such as the CCC, which can obtain, as was done in November and December, lake vessels to transport wheat cargoes to American ports, or which now can persuade American railways to send cars into western Canada for wheat.

On Same Basis

The Commodity Credit Corporation, with its monopoly of the business unimpaired, has evidently made known to the Canadian Wheat Board (probably indirectly through its buying agents), that it intends to go on buying Canadian wheat on exactly the same basis as if Congress had not suspended the duty. Formerly it was willing to buy on the basis of Chicago prices, less 42 cents, and it is still willing to do so. It deducted the 42 cents before, when it did not have to pay the duty which was nominally in effect. And it still deducts the 42 cents when there is no duty, nominal or otherwise.

Dealings Between Governments

In these transactions it is the government of Canada which is dealing with the government of the United States. But neither government is acting as principal. Through the Wheat Board, the Government of Canada is agent for farmers who are delivering their wheat this year. Through the Commodity Credit Corporation the Government of the United States is agent for farmers who are to feed wheat. If they were principals, they would probably negotiate the price basis directly. As agents they have had recourse to this somewhat peculiar method of establishing a market value. Evidently the Commodity Credit Corporation of the United States, as a monopoly buyer, is in a somewhat stronger position than the Canadian Wheat Board, as a monopoly seller, although the buyer's need for supplies is probably greater than the seller's need to dispose of wheat.

Sales to Other Countries

The price basis which has thus been established for sales to the United States also applies to sales which may be made to other countries which have occasion to buy Canadian wheat, or to millers in the United States who mill Canadian wheat in bond for export. Quite a different price basis applies to wheat sold in Canada or furnished to Great Britain or other of the allies under the Mutual Aid plan. Needs of those countries are supplied from "Crown wheat," that which the Government acquired when the market was closed on Sept. 28, on the basis of the closing prices of the previous day. All transactions in that wheat are recorded on the basis of $1.25 per bushel.

More Cars Needed

When navigation on the Great Lakes closed, stocks of wheat at the head of the lakes had been reduced to less than 10 million bushels. They have risen slightly since that time, but rail movement of wheat from country elevators to lakehead terminals will have to be stepped up considerably if stocks there are to be built up during the winter sufficiently to take care of a heavy movement down the lakes in the spring. According to some observers, there is a need for 7 or 8 thousand more railway cars in western Canada allocated to grain movement if the railways are to meet the full demand for grain movement during the winter. It is expected that the Canadian Wheat Board will put the case for a larger number of freight cars to the Transport Controller and to the Government of Canada.

One possibility is that the railways will have to apply their cars in the same way as was done during November and December, placing them at stations from which wheat can be moved with the greatest economy of cars and motive power, and ignoring, as was then done, the desirability of equalizing delivery opportunities for farmers at different stations. Such a development will make it hard to satisfy farmers in Alberta and western Saskatchewan, whose opportunities to deliver wheat have so far been much more restricted than those afforded farmers in the eastern part of the Prairie Provinces.

Rye Shipments

Rye shipments have comprised an unusually high percentage of total shipments from country elevators during recent weeks. High prices prevailing for rye on the Winnipeg market have been reflected in country buying. There is a good deal of risk in handling the commodity unless elevator companies can make sure of getting grain forward to meet commitments made in sales in the futures market.

Business of Farming

A Farm Belt For Cities

By GORDON L. SMITH

Toronto's proposed Master Plan covering the growth of Ontario's capital for the next 30 years attempts to solve an age old problem—what to do with marginal land around our towns and cities. Under present conditions this ground is too valuable to farm, not valuable enough for general building. As a result it becomes an eyesore where weeds, and refuse flourish until the city grows out to meet it.

The Toronto Plan would make a rigid segregation of urban and agricultural land about the city. Inside a certain line all land would be held for residential and other building, beyond that line no building would be allowed and taxes lowered drastically to a point where it could be farmed profitably. Whether this plan can be worked out in practice, of course, is another matter but certainly the objective sought is a worthy one.

GENERAL MANAGER

J. S. Vanderploeg, 45-year-old Netherlands-born sales manager of Anaconda American Brass Ltd., has recently been named its general manager. He joined the American Brass Co. in 1914, coming to Canada in 1922 when that company purchased Brown's Copper & Brass Rolling Mills at New Toronto. He is also vice-president of Canada Strip Mill Ltd., a Crown company.

Wheat Restrictions Eased

There seems to be much misconception about Canada's wheat policy. Recently there has been considerable publicity to the effect that the authorities have decided against increasing the acreage next year. Contrary to some general expectation no extension of acreage was approved at the recent Dominion-Provincial Conference, at which 1944 production goals were set. But this does not mean that the former official ban on wheat acreage has not been modified.

Actually, of course, the Canadian grower himself decides how much wheat he is going to plant. He have not yet reached the stage where sowing is held up until some government official gives the word.

Wheat acreage restriction in Canada has been achieved by indirect, though quite effective, methods. Deliveries of grain, because of congested elevator space and heavy carryover of crops from other years, has been rigidly restricted. In addition, for the last three years, the government has offered a bonus of several dollars per acre for former wheat land diverted to other grains or forage crops.

Now next year while there has been no official announcement that a greater wheat acreage would be desirable, at the same time Agriculture Minister Gardiner has stated that the diversion acreage bonus will not be continued. In other words the government is not going to continue to subsidize land taken out of wheat and put into barley, oats, hay or pasture. If that, plus increased prices, is not encouraging a larger wheat acreage, then what is it?

* * *

Farm Land Boom

Both American and British papers are featuring the fact that farm land prices have been moving up steeply. The London News Chronicle recently carried this rhyming headline:

"£12,000 farm sells at £28,000 now.
And £130 fails to buy £35 cow."

Similar striking proof of farm price inflation has been noted in the United States.

In Canada, as usual, there is a similar trend though on a much more moderate scale. Whether the movement has reached the proportions of a boom comparable to the rise during and following the first Great War is extremely doubtful.

A modifying influence here has been price control. Farm prices are up, and up considerably but we are still far behind the $3 wheat and 75 cent butter of 1919. Moreover before jumping to any definite conclusions, one should remember that this war opened with the level of farm prices fully 25% below the general level, and some lines, notably wheat and beef cattle, were the lowest in 25 years. Substantial gain was almost inevitable under such conditions.

* * *

Fluctuating Crops

Fluctuating crops also come into the picture. One year, for instance, we may have a huge crop of potatoes with yields running 50% above the average. Costs of production in that case would only be a fraction of those in a poor year.

Supposing potatoes are floored at $1 per bag. In an average year a farmer might have a total of 100 bags and his costs for seed, spraying, cultivation and overhead amount to $75. There would be a profit of $25. But with the price still fixed at a dollar and good yield of 150 bags, his profit would be almost three times as high because the only difference in cost would be a little more outlay for bags and harvesting. Seed, cultivation, fertilizer, spraying, and overhead would be the same.

In one year there might be justification for a dollar floor; in the other there would not be. Of course if there was a crop failure and the yield went down to 50 or 75 bags then a dollar would not pay costs but prices would automatically rise above the floor level.

DIVIDEND NOTICES

The Canadian Bank of Commerce

Dividend No. 228

Notice is hereby given that a dividend of one and one-half per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st January, 1944, and that the same will be payable at the Bank and its Branches on and after Tuesday, the 1st February next, to shareholders of record at the close of business on the 31st December, 1943. The Transfer Books will not be closed.

By Order of the Board
S. M. WEDD,
General Manager.

Toronto, 23rd December, 1943.

The Dominion Bank

Dividend No. 245

Notice is hereby given that a dividend of two per cent upon the paid up capital stock of this Institution has been declared for the quarter ending 31st January, 1944. The dividend will be payable at the Head Office of the Bank and its Branches on and after Tuesday, the first day of February, 1944, to shareholders of record of the 15th January, 1944.

By Order of the Board.
ROBERT RAE,
General Manager.

Toronto, 9th December, 1943.

The Sherwin-Williams Company of Canada, Limited

NOTICE IS HEREBY GIVEN that a dividend of Fifteen Cents (15c) per share has been declared on the no par value Ordinary Stock of the Company, payable to shareholders of record the 10th day of January, 1944, and that cheques will be mailed on February 1, 1944.

Books not closed.

By Order of the Board.
P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Quebec.
December 16, 1943.

General Steel Wares Limited

DIVIDEND NOTICE

Notice is hereby given that a fixed cumulative dividend of $1.75 per share, being at the rate of 7% per annum in respect of the three months period commencing on the 1st day of November, 1943, and ending on the 31st day of January, 1944, has been declared on the outstanding 45,000 shares of 7% Cumulative Participating Preferred Stock of a par value of $100.00 each of General Steel Wares Limited, payable on the 1st day of February, 1944, to shareholders of record at the close of business on the 13th day of January, 1944.

By Order of the Board,
FRANK S. BROPHY,
Secretary.

Montreal, January 5th, 1944.

Privateer Mine Limited

Dividend No. 21

NOTICE is hereby given that a dividend of one cent (1c) per share has been declared by the Directors of Privateer Mine Limited, payable in Canadian Funds, on the 10th day of February, 1944, to shareholders of record on the 25th day of January, 1944.

By Order of the Board,
W. S. LANE,
Secretary.

Vancouver, B.C.
January 6th, 1944.

DIVIDEND NOTICES

UNITED DISTILLERS OF CANADA LIMITED

NOTICE OF DIVIDEND

Notice is hereby given that a dividend of 10 cents per share has been declared by the directors of the United Distillers of Canada Limited, payable in Canadian funds on January 25, 1944, to shareholders of record at the close of business on January 13, 1944.

The transfer books will be closed from the 14th day of January, 1944, to the 28th day of January, 1944, both dates inclusive.

By order of the board,
(Sig.) A. L. McLENNAN,
Secretary.

Vancouver, B.C.,
January 10th, 1944.

Penmans Limited

Dividend Notice

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 31st day of January, 1944.

On the Preferred Stock, one and one-half per cent (1½%), payable on the 1st day of February to Shareholders of record of the 17th day of January, 1944.

On the Common Stock, seventy-five cents (75c) per share, payable on the 15th day of February to Shareholders of record of the 17th day of January, 1944.

By Order of the Board.
C. B. ROBINSON,
Secretary-treasurer.

Montreal,
January 10, 1944.

N. SLATER COMPANY LIMITED
HAMILTON - CANADA

NOTICE IS HEREBY GIVEN that a Quarterly Dividend of Thirty Cents (30c) per share on the Common Shares of the Company was declared, payable on the first day of February, 1944, to shareholders of record at the close of business on the 15th of January, 1944.

J. G. DAVIES,
Secretary.

Hamilton, Ont., Jan. 6th, 1944.

WE WILL BUY
City of Windsor Bonds
Town of Riverside 1% Bonds
Township of Sandwich West Bonds.
A. J. Pattison, Jr. & Co.
Royal Bank Bldg., Toronto
EL. 3101

Company Reports

Canadian Car

(Year Ended Sept. 30)

	1943	1942
Net income*	$788,308	$958,384
Earn. sh. of com.	.68c	$1.28

*Excluding refundable portion of EPT amounting to $271,174 in 1943 and $73,161 in 1942.

Canadian Car and Foundry Co.'s report for 1943 shows gross income of $5 millions, as against $5.1 millions the year before. Senior charges were higher, depreciation reserve increased, and dividends on the preferred greater under the new arrangement, with the result that net profits available on the common were off. The refundable portion of the EPT totalled 74 cents a share for 1943, as against 20 cents a share the year before.

Working capital declined during the year by nearly $600,000 to $5.9 millions. Capital expenditures on war contracts were up over $1.3 millions; investment in Canadian Associated Aircraft liquidated; while advances to subsidiary companies were reduced from $231,541 to $13,259. Holdings of cash and marketable securities declined sharply owing to purchase of 2,000 shares of new preferred; payment to old preferred holders; and a reduction of some $800,000 in bank loans, which now stand on the books at $3.5 millions.

In his report to shareholders V. M. Drury, president, states that work was resumed on railway rolling stock during the year; contracts have been entered into for the manufacture of commercial aircraft of the Burnelli design; the Fort William plant is now in production on dive bombers; the propeller plant operated at capacity in 1943, but operations are slowing down and that the Cherrier plant of Canadian Car Munitions is operated on a reduced scale. Mr. Drury adds no further payments on its agency's award by the Mixed Claims Commission can be expected until certain clauses of the Claims Act have been amended. Steps are being taken in Washington to make these changes.

Orange Crush

Years Ending

	Oct. 27 1943	Oct. 28 1942
Earned per sh. pfd.	$1.34	d$0.87
Paid	nil	nil
Earned com.	0.41	d1.01
Working capital	157,849	117,348

(Previous year's figs. bracketed below)

Recording an operating profit of $152,439 for the year ended Oct. 27, 1943 ($64,462), Orange Crush Ltd. was able to earn its preferred dividend by a comfortable margin for the first time since the 1940 fiscal year. Net profit of $40,074 (loss of $26,002) was carried straight to surplus, and no mention of resuming preferred dividends is made in the report. President E. P. Taylor states that the policy of strengthening the company's position in the industry was continued by the purchase of King's Old Country Ltd. of Winnipeg and a substantial interest in the Montreal firm of Charles Gurd & Co. He states that as the costs of business increase all the time, better results cannot be expected for the current year unless there is some amelioration in restrictions and taxation.

Foreign Power

(Years Ended Oct. 31)

	1943	1942
Net revenue	$15,871	$13,808
Loss after bond int.	85,799	88,303

Minor changes are reported in earnings and financial position of Foreign Power Securities during the year ended Oct. 31, 1943. Following occupation by the Germans of France, in which the company has most of its capital invested, it was necessary to default on bond interest. Holdings of Canadian and American securities showed a gain in market value from $508,165 to $632,097. No value is given for holdings in France. A loan of $40,000 was repaid during the year and invested in Dominion of Canada bonds. The bonded debt was reduced by $7,000 and now stands at $1,694,500.

MORE RUBBER GOODS

The 49 active plants making rubber goods in Canada last year report gross sales at $122.2 millions. The 1941 figure was $119.1 millions. Of the 1942 total, tires took $66.8 millions and rubber footwear $19.9 millions. Employees of the industry averaged 15,497 throughout 1942. Twenty-nine of the producing factories were in Ontario and 18 in Quebec Province.

DIVIDEND NOTICES

Anglo-Canadian Telephone Company

PREFERRED DIVIDEND NOTICE

NOTICE is hereby given that a dividend of One and Three-Eighths per cent (1⅜%) has been declared on the 5½% Cumulative Preferred Stock of the Company for the quarter ending January 31, 1944, payable February 1, 1944, to Shareholders of record at the close of business on January 11, 1944.

By Order of the Board.
CAMERON HOUGH,
Secretary.

Montreal,
January 4, 1944.

Canadian Breweries Limited

Dividend Notice

NOTICE IS HEREBY GIVEN that a dividend of eighty-five cents (85c) per share on the Cumulative Sinking Fund Convertible Preference Shares without nominal or par value in the Capital Stock of the Company has been declared payable on the 1st day of April, 1944, to Shareholders of record at the close of business on the 15th day of February, 1944.

By order of the Board.
W. C. BUTLER,
Secretary.

Toronto, Ontario,
January 5, 1944.

SIMPSONS, LIMITED

Preference Dividends Nos. 54-55

NOTICE is hereby given that a Dividend of One dollar and sixty-two and one-half cents ($1.62½) per share on the Outstanding Paid-up Six and one-half per cent (6½%) Cumulative Preference Shares of the Company and a Special Dividend of Two dollars ($2.00) per share on such shares, have been declared payable February 1, 1944, to shareholders of record as at the close of business on January 15, 1944. The transfer books will not be closed.

By Order of the Board.
Frank Hay,
Secretary.

Toronto, January 7, 1944.

Dominion Gets Big Taber Well

From Our Own Correspondent

CALGARY.—Getting 1944 away to a good start, Standard of California's Dominion Oil Co. last week end brought in a very promising well as its first 1944 completion. The company's first well for the year, Taber-C.P.R. No. 11-19B, cored into the top of the Taber sand at 3,137 ft. on Jan. 8, encountering 33 ft. of oil-saturated sand as coring was completed at 3,170 ft.

A drill-stem test was made during the week end, and oil rose 1,680 ft. in the pipe in one hour. The oil was clean, and free of water. Oil sand thickness and apparent volume of oil indicated is comparable to that encountered at Taber-Province No. 17-18B, quarter of a mile to the south.

The No. 17-18B well, following completion early in December, swabbed at rates as high as 559 bbl. per day, and on pumping test last week, produced 1,443 bbl. of clean oil in 85 hrs., a yield apparently below the full potential due to limitations of the pump unit. Yield in the final 24-hour on the pump test was 441 bbl., pumping rate being 21 44-in. strokes per minute, with fluid level holding steady at 2,335 ft. Gravity of the oil at 60 deg. is 18.6 deg. A.P.I.

Durum Wheat, Barley, Oats, Flax Deliveries Up

The following quantities of wheat and coarse grain were delivered from farms in Western Canada from Aug. 1 to Dec. 7, 1943.

Farmer Grain Deliveries
Aug. 1 to Dec. 7

	1943 bu.	1942 bu.
Wheat (except Durum)	98,231,693	125,132,956
Durum wheat	3,200,539	2,008,838
Oats	47,131,545	43,316,854
Barley	39,217,192	38,030,195
Rye	932,928	2,961,748
Flaxseed	13,021,926	10,096,080

Paper Stockpile Plan Indefinite

From Our Own Correspondent

MONTREAL.—Proposal of the U. S. War Production Board to create a stockpile of Canadian newsprint, consequent upon Canada's ability to deliver 200,000 rather than the 182,000 tons monthly expected in the first half of this year, has not got beyond the discussion stage. For the current month Canadian mills have been adding to their own stocks.

Representatives of the WPB have been studying plans for the creation of a stockpile of the additional 18,000 tons monthly, with the idea that the paper could be held in reserve against a possible falling off in supply during the last half of the year.

Less Cotton Is Available

From Our Own Correspondent

MONTREAL.—Canadian cotton mills opened 34,424 bales of raw cotton in December, bringing the total for 1943 up to 440,854. Bales opened last month numbered less than in any like month since 1938 and the second smallest number to be opened for any month in 1943.

For all of 1942 the mills opened 504,080 bales; in 1941, 499,206; 1940, 464,031 and 1939, 340,900.

Canada Iron Foundries has called a special general meeting of shareholders for Jan. 27, 1944, for the purpose of sanctioning and confirming three by-laws, one of which is to authorize the subdivision of the 6% non-cumulative preferred and common shares of $100 par in each case into shares of $10 each. If the subdivision is approved each shareholder will receive 10 shares of the par value of $10 for each share now held.

Shareholders will also be asked to confer upon the company power to purchase the preferred shares on the open market.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	—Sold to—	Rate	Due	Amount	Price	Yield
Cap de la Madeleine, P.Q.	Jan.	La Caisse Populaire	3½%	1945-64	$35,000	....	....
Mimico, Ont.	Jan.	Harrison & Co.	3%	1945-49	120,000	....	....
			3½%	1950-54	120,000	....	....
			3¾%	1955-61	120,000	....	....
Leaside, Ont.	Dec.	J. L. Graham & Co.	3%	1944-58	70,000	98.57	3.20%
Provincial—							
Quebec	Jan.	A. E. Ames & Co. and Syndicate	3%	1956	$9,680,000	*98¼	3.07%
British American Oil Co.	Dec.	A. E. Ames & Co.	2½%	1944-48	$3,000,000	....	....
			3¼%	1949-53			

*Offering price.

Reduced Wheat Acreage Payments $20.4 Millions

Payments amounting to $20.4 millions have been made in 1943 to farmers in the three prairie provinces under the Dominion wheat acreage reduction plan, E. L. Gray, director of PFAA, announces. Number of farmers receiving payments and amounts by provinces follow:

	No. Farmers Paid	Amounts $
Alberta	40,539	6,067,806
Saskatchewan	66,933	10,788,530
Manitoba	29,156	3,545,278
Totals	136,628	20,401,614

Unlisteds Make Good Showing

Plaxton, McDonnell & Co. state that the unlisted industrial stock market gave a good account of itself over most of the past week, after shaking off early hesitancy.

Brown Co. preferred continued its upward trend, gaining 2½ points at 33½ to 36.

M. & O. Paper common was a feature and advanced one point under heavy accumulation at 9⅞ to 10.

Provincial Paper preferred was in demand at 101½ bid with offerings very scarce.

A better tone was evident in the grain issues with Western Grain preferred at 31½ to 33½ and Goderich Elevator at 11¼ to 12½.

Andian National regained a half point of its last week loss at 23 to 25.

All stocks mentioned were well maintained and the demand was especially good for the higher grade issues.

Since 1857
James Richardson & Sons
LIMITED
Grain Merchants
Shippers and Exporters
HEAD OFFICE
WINNIPEG
Branches Throughout Canada

NORRIS GRAIN COMPANY
LIMITED
C. C. FIELDS, Pres. GEO. S. MATHIESON, Vice-pres.
C. E. BABBITT, Sec'y.
Grain Merchants, Shippers and Exporters
709 Grain Exchange, Winnipeg
NEW YORK CHICAGO KANSAS CITY TOLEDO
ST. LOUIS BALTIMORE LONDON LIVERPOOL

McCabe Bros. Grain Co.
LIMITED
Winnipeg, Canada
CANADA'S MOST COMPLETE GRAIN SERVICE
Specialists in Forage and Pea Seeds
VICTORIA FEEDS
OFFICES:
DULUTH MINNEAPOLIS PORT ARTHUR REGINA EDMONTON

FEDERAL GRAIN LIMITED
OPERATING TERMINAL ELEVATORS • FORT WILLIAM • PORT ARTHUR • VANCOUVER
436 COUNTRY ELEVATORS THROUGHOUT THE WEST
113 COAL SHEDS
Our Service and Facilities Guarantee Satisfaction

TORONTO ELEVATORS
LIMITED
GRAIN
MASTER FEEDS
LINSEED & SOYA OILS
Also Owning and Operating
THE SARNIA ELEVATOR
CO. LIMITED
SARNIA ONTARIO
QUEEN'S QUAY, TORONTO

Federal Grain Ltd.
The 6½% Preference Shares of this Company (in arrears $71.00) earned $11.25—paying $6.00. The Common Shares earned approximately 71c during the year ending July 31, 1943.
The purchase, through its wholly-owned subsidiary Algoma Securities of the control of Alberta Pacific Grain Co. Limited — at $115.00 per Preference Share and $3.00 per Common Share — should materially increase the earnings of Federal Grain Limited and reflect in a decided improvement in the figures mentioned above for this year.
We believe the Preference and Common Shares of this Company offer attractive possibilities for capital appreciation.
Further information on request.
C. C. Fields & Co.
200 BAY ST.—WA. 4731
TORONTO
E. & O. E. Members, The Toronto Stock Exchange
PARTNERS—C. C. Fields, J. C. Allen, G. D. Adams, F. Rose, R. Paynter, J. V. Brooks

Should Some Restrictions Continue?

The Question: Do you favor continuing into peacetime certain wartime merchandising restrictions such as those applying to hours, deliveries, containers, varieties, etc.?

Louis O. Breithaupt
M.P. for Waterloo North, Kitchener.

I believe continuance of present wartime restrictions and controls into peacetime would be a serious mistake. People generally are accepting present controls in the interests of general cost-of-living stabilization, but would definitely not feel inclined to submit to present red tape and multitudinous regulations and orders now enforced, in many cases, by inexperienced officials, some of whom have no impressive personal success record. While this undoubtedly appears to be the feeling most frequently expressed, there are, however, a great many features of the present plan, such as limitation of charge accounts and duplication of varieties and packaging of merchandise generally, which could very profitably be continued in the postwar period.

• • •

L. B. Calnan
Editor and manager, Gazette, Picton, Ont.

Serious consideration should be given the matter of continuing into peacetime certain merchandising restrictions now prevailing. There is no excuse at any time for wastefulness which was so often the case in peacetime, and restrictions would prevent this in many cases. It would be necessary to modify certain restrictions, but most of them could be retained to a certain degree.

By all means continue those regarding containers and varieties, as no one has suffered as a result. With resumption of motoring on a larger scale, gasoline sale hours might be lengthened until nine o'clock at nights. Delivery service at present is adequate, providing customers order as they should. War has taught us to conserve, let us not go back to a thoughtless and wasteful plan.

• • •

G. P. Cunningham
President, Cunningham Drugstores, Vancouver.

I am opposed to many wartime merchandising restrictions such as hours, containers, deliveries and varieties. I am also opposed to the present system of securing replacements or additions to staff. Prospective employees also dislike the present system. I am in favor of reasonable credit restrictions along the present lines. To do away with loss leaders I am in favor of a minimum selling price policy for branded products. It should be an offense to cut the prices set by the manufacturer.

• • •

J. A. Caulder
President and general manager, Dairy Corp. of Canada.

I believe that in certain lines of business it will be desirable to carry over into peacetime certain restrictions applying to hours, deliveries, containers, varieties, etc., because experience has shown that in highly competitive fields proper control within the industry is impossible. If power of control is given to some properly constituted body, the very existence of such control will make it much easier for self-regulation by the industry. Exercise of authority should be restricted to the minimum necessary to achieve desired results.

• • •

T. H. DuPlan
General manager, Silverwood Dairies Ltd., London.

We have found several existing government orders to be constructive, making for required conservation and elimination of wasteful practices without undue disturbance. To that extent their continuance would be valuable for peacetime operation. There obviously is some justification for wartime price control but for peacetime the control by and through the law of supply and demand should be fundamentally restored. We have reached the point where relief for industry by reduced government corporation taxation is an urgent need.

• • •

C. H. Hale
Editor, Packet, Orillia, Ont.

While I believe it to be desirable that freedom of trade should be restored as soon as possible after the conclusion of the war, I think it will be necessary to make an orderly and gradual withdrawal from the present regulations lest a sudden removal of all restrictions should result in a wild scramble and create chaotic conditions. Just what restrictions should remain; and when they should be removed will depend on conditions at the time peace arrives. Not only in Canada, but throughout the world we shall have to depend to a large extent on the judgment of those who know the facts.

• • •

Alfred W. Hanks
Managing editor, St. James Leader, Winnipeg.

I do not favor continuing into peacetime the merchandising restrictions imposed as a result of wartime scarcities of merchandise and labor. During any period of abnormal scarcity of either commodity I believe that restrictions could reasonably be applied, but only to tide over the period of such shortages. When there is a plentiful or normal supply of these commodities then there should be no restrictions applied. Scarcity brings high prices and restrictions tend further to increase cost to the consumer, which is axiomatic. Restrictions applied under any other conditions but those of scarcity can only tend to make artificial scarcities.

• • •

A. R. Haskell
Manager, Better Business Bureau, Toronto.

What is done after the war is over must depend largely upon conditions at that time—the amount of gasoline and rubber available, the necessary time it will take to turn our plants from wartime to peacetime production, etc.

• • •

J. W. Horsey
President, Dominion Stores, Toronto.

There may be a limited number of regulations that could be retained in the mutual interests of efficient business operation and consumers, such as standardization of container sizes, grades, etc. But, generally speaking, such regulations hamper and restrict development and expansion of industry, and therefore should be removed. They are not in the public interest.

• • •

V. E. Hessell
Executive manager, Board of Commercial Interests, Canadian Pharmaceutical Association.

I favor continuing certain specific merchandising restrictions. I favor continuing into peacetime the restrictions of deliveries, duplications, installment buying and overlapping of service outlets.

• • •

George S. Hougham
Dominion secretary, Retail Merchants Association of Canada.

The Canadian Retail Federation is now circulating a questionnaire across Canada on the subject of your enquiry, under direction of a special committee which has divided wartime regulations into two particular categories, the first being a group of orders which, in the opinion of the committee, might be released immediately upon cessation of hostilities, and the second covering items which, for various reasons, would need to have controls more gradually relaxed. Pending result of that questionnaire I am unable to express a definite opinion.

• • •

J. G. Johnston
Johnston, Everson & Charlesworth, Public Relations, Toronto.

I believe it to be in the public interest that war measures be war measures only.

• • •

H. E. McCormick
President, Monitor Publishing Co., Montreal.

War has reintroduced many common-sense business restrictions. Demand for five-minute delivery service for 10-cent articles and long retail store hours is absolutely uneconomical. Standardization of containers would eliminate doubt in the public's mind, as in pre-war times articles were packed in 14-oz., 16-oz. and 20-oz. tins, each with the merchandising idea of selling tins cheaper than the competitor. We could still merchandise, but fairly, and all benefit economically.

• • •

G. J. Rowland
Publisher, Herald, Penticton, B.C.

Those bureaucrats who hope to ride on the taxpayer's back from now on, and who frown on the relaxation of controls in the notion that business is some sort of convict scheming to get out "on parole" are in for a jolt—off the taxpayer's back. All regulations finally depend upon the willing acceptance of the majority involved, who see in such regulations a benefit for themselves. Merchandisers and the general public, for their own advantage, have consented to the complex dictates of wartime. They have made the rules workable, but directly in proportion to the removal of wartime conditions they will also work a change.

• • •

Claude Root
General manager, Better Business Bureau, Montreal.

Canadian free enterprise should by now have learned lessons gained in wartime re savings, economics, trends and responsibilities devolving upon them in peacetime merchandising. Restrictions applicable to hours, advertising, deliveries, containers and varieties, among other factors, should definitely be continued into peacetime by voluntary self-regulation, whether or not recommended by government direction. Business has an unprecedented opportunity to capitalize on sound policies developed under emergency conditions brought about by stress of war contingencies. Canadian business will miss the boat if it does not make the most of advantages, gained in wartime, for group collaboration in support of government. Nothing succeeds like promotion of public confidence. Whether a Canadian citizen sells, manufactures or consumes, henceforth there will be need of common-sense restraint and foresight in all postwar activities.

• • •

Col. H. S. Tobin
President, Brewers & Distillers, of Vancouver, B.C.

Bureaucratic control threatens the life of private enterprise. While it can be justified in wartime and obviously once introduced cannot suddenly be abandoned without danger of creating chaos, the Government should now be diligently planning for the orderly release of all controls at the earliest moment possible. Someone once said, "The power to regulate is the power to stultify." Has this axiom not been proved? Naturally, rationing and inflationary control will require time to relax but there would seem to be no good reason for retaining most of the other wartime restrictive regulations.

• • •

W. L. Templeton
Manager, Better Business Bureau, Vancouver.

In principle, we do not favor government regulation of business. We believe in self-regulation by business. On the other hand, we do favor government control of abuses by business. We believe it would be in the public interest to effect economy by simplification of types and sizes of containers. We do not think the Government should interfere with services such as deliveries and shopping hours beyond the point of establishing reasonable working hours for staff. We believe economy should be the keynote in the conduct of business. Therefore regulations defined to provide more economical goods and services are favored by this organization.

• • •

E. P. Taylor
President, Canadian Breweries, Ltd.

A free people would never in peacetime accept the kind of regulations we now cheerfully put up with. I don't believe that a country will progress if its government permanently attempts to regulate business practices to the extent suggested in the question. Such restrictions would only be possible in a completely socialized state. As such state can only be run by force, we had better get the concentration camps ready if there is any danger of the Government keeping the restrictions in force.

• • •

P. A. Woodward
Vice-president, Woodward Stores Ltd., Vancouver.

Consumers and merchants have cheerfully accepted the restrictions necessary in a wartime economy and the benefits of these measures will influence future operations. However, in the peacetime economy of full production, the wide variation in consumer demand for the proper combination of service and economy can only be met and kept in balance by competition. If free competition is allowed to meet the varied demands of each locality, extravagant and wasteful methods will be kept to a minimum. Local restrictions pertaining to hours, deliveries, etc., can be continued to the benefit of the community concerned.

How the Parties Stand In Canada's Parliaments

(As at Dec. 14, 1943)

ALBERTA

Premier—Hon. E. C. Manning.
Last election March 21, 1940. Max. duration—5 years.

Parties—	
Social Credit	36
Independent	16
Labor	1
Liberal	1
Ind. Liberal	2
CCF	1
Total	57

BRITISH COLUMBIA

Premier—Hon. John Hart.
Last election Oct. 21, 1941. Max. duration—5 years.

Parties—	
Liberal	20
CCF	15
Conservative	12
Labor	1
Total	48

MANITOBA

Premier—Hon. S. S. Garson.
Last election April 22, 1941. Duration—5 years.

Parties—	
Lib. Prog.	24
Conservative	15
Independent	[illegible]
Social Credit	3
Com.	1
Labor	5
Vacant	1
Total	55

NEW BRUNSWICK

Premier—Hon. J. B. McNair.
Last election Nov. 20, 1939. Legislature continues for 5 years and 2 months unless sooner dissolved by the Lieutenant-Governor.

Parties—	
Liberal	29
Conservative	19
Total	48

NOVA SCOTIA

Premier—Hon. A. Stirling MacMillan.
Last election Oct. 28, 1941. Duration—5 years.

Parties—	
Liberal	23
Conservative	4
CCF	3
Total	30

ONTARIO

Premier—Hon George Drew.
Last election Aug. 4, 1943. Duration—5 years.

Parties—	
Prog.-Conservative	38
CCF	34
Liberal	15
Labor	2
Ind. Lib.	1
Total	90

PRINCE EDWARD ISLAND

Premier—Hon. J. Walter Jones.
Last election Sept. 15, 1943. Duration—5 years.

Parties—	
Liberal	20
Prog.-Cons.	10
Total	30

QUEBEC

Premier—Hon. Adelard Godbout.
Last election Oct. 25, 1939. Duration—5 years.

Parties—	
Liberal	67
Union Nationale	17
Independent	1
Vacant	1
Total	86

SASKATCHEWAN

Premier—Hon. W. J. Patterson.
Last election June 8, 1938. Duration—5 years.

Parties—	
Liberal	34
CCF	11
National Reform	3
Vacant	4
Total	52

CANADA

Premier—W. L. Mackenzie King.
Last election March 26, 1940. Duration—5 years.

Parties—	
Liberal	81
Prog. Cons.	41
CCF	10
Social Credit	7
Others	6
Total	245

Canada Northern Power Income Off Moderately

Canada Northern Power Corp.'s statement for November indicates a continued downward trend in earnings. Gross revenue at $339,423 was $25,394 lower than in the same month last year. Operating expenses were less, but net earnings of $215,691 show a decline of $10,829.

Cumulative returns for the first 11 months of 1943 show gross income of over $3.8 millions, a drop of nearly $300,000. A little over half of this was picked up in lower operating expenses, leaving net earnings of about $2.4 millions or $136,229 under the comparative 1942 figures. These returns do not include provision for income and excess profits taxes in the operating expenses.

Montreal Stock Sales Record 1943 Gain

Over 5.8 million industrial shares changed hands on the Montreal Stock Exchange and Montreal Curb Market during 1943. This is the highest figure reported since 1939 when 8.5 million shares were traded and compares with 2.1 million shares in 1942.

Volume of mining shares handled last year totalled 4.2 millions, compared with 1.6 million in 1942.

The total volume of trading for the year amounted to 10 million shares, as against 3.8 million shares in 1942.

TREASURER

Perry S. Bower who has been appointed treasurer of the Great-West Life Assurance Co. Mr. Bower joined the actuarial department of the Great-West in 1925; in 1930 was transferred to the investment department, being appointed assistant treasurer in 1933 and manager of bond investments in 1939.

Cassidy's Ltd. Lists Stock

From Our Own Correspondent

MONTREAL.—Cassidy's Ltd. preferred and common shares have been admitted to trading on the regular list of the Montreal Curb Market. The listing covers 100,000 $1 par value common shares and 16,238 shares of $100 par 7% preferred stock.

Cassidy's was incorporated in 1911 and conducts a wholesale and retail business in china, crockery, glassware, etc., in Montreal, Toronto, Winnipeg and Vancouver, with head office in Montreal.

Balance sheet as at Dec. 31, 1942, shows current assets of $4,132,716 and current liabilities of $2,459,932. Total assets amount to $5,620,232.

For the year ended Dec. 31, 1942, operating profits were $221,312 after providing $1,046,411 for income and excess profits taxes. Preferred dividends paid during the year totalled $113,176, and total earned surplus at the start of 1943 was $922,289.

Bank of Canada Names Officers

L. Mundy has been appointed deputy secretary and P. D. Smith, assistant deputy secretary, of the Bank of Canada.

Mr. Mundy joined the Bank of Canada in 1935 shortly after it commenced operations. He has been attached to the chief accountant's department, Ottawa agency, and the secretary's department of the bank. Before joining the bank he had eight years' accounting experience with the Imperial Life Assurance Co. and the Sun Life in Montreal.

Mr. Smith, before entering the service of the Bank of Canada in 1938, trained as an audit clerk with a firm of chartered accountants in England and had three years' banking experience with an English bank followed by nine years in the banking and mercantile business in Canada.

"We must beware of trying to build a society in which nobody counts for anything except the politician or official, a society where enterprise gains no reward and thrift no privilege."

Churchill's words of warning, as he gazed into the post-war world, have often been repeated. They cannot be repeated too often.

Their application to insurance, and to the insured, needs to be stressed. For it was by enterprise that insurance companies started and by enterprise, constantly applied, that they gained justified rewards in growth and solidarity. Further it was and is by enterprise, operating in its highest sphere, that these rewards are shared with their clients in added security at reduced costs.

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THE EMPLOYERS' ASSURANCE

E. L. MARSHALL
Manager for Canada and Newfoundland.

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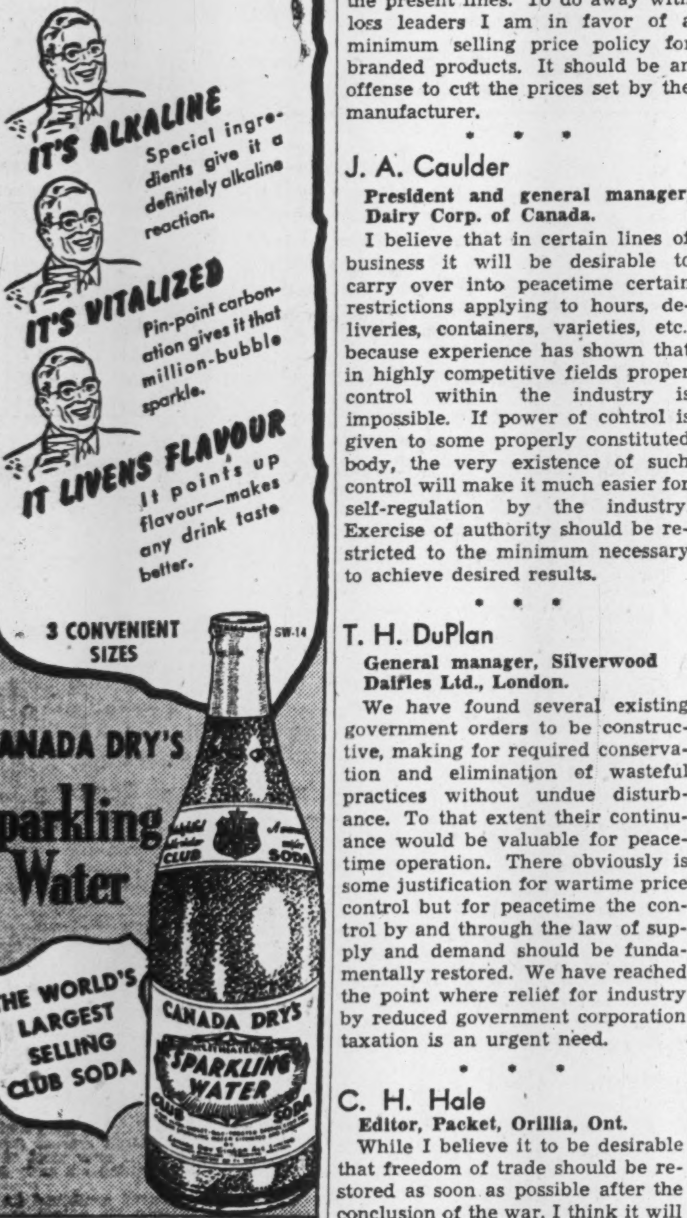

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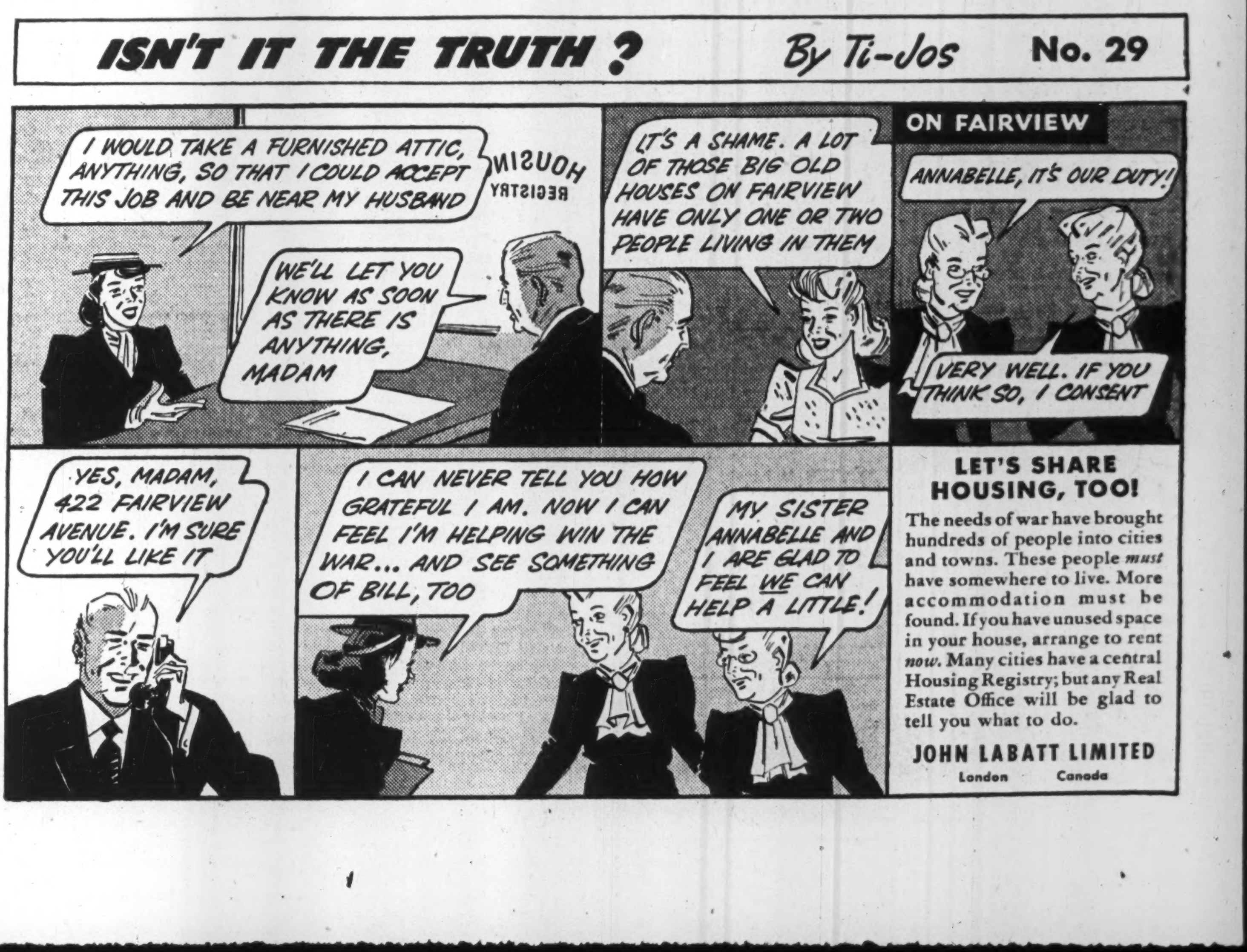

LET'S SHARE HOUSING, TOO!

The needs of war have brought hundreds of people into cities and towns. These people *must* have somewhere to live. More accommodation must be found. If you have unused space in your house, arrange to rent *now*. Many cities have a central Housing Registry; but any Real Estate Office will be glad to tell you what to do.

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THE FINANCIAL POST

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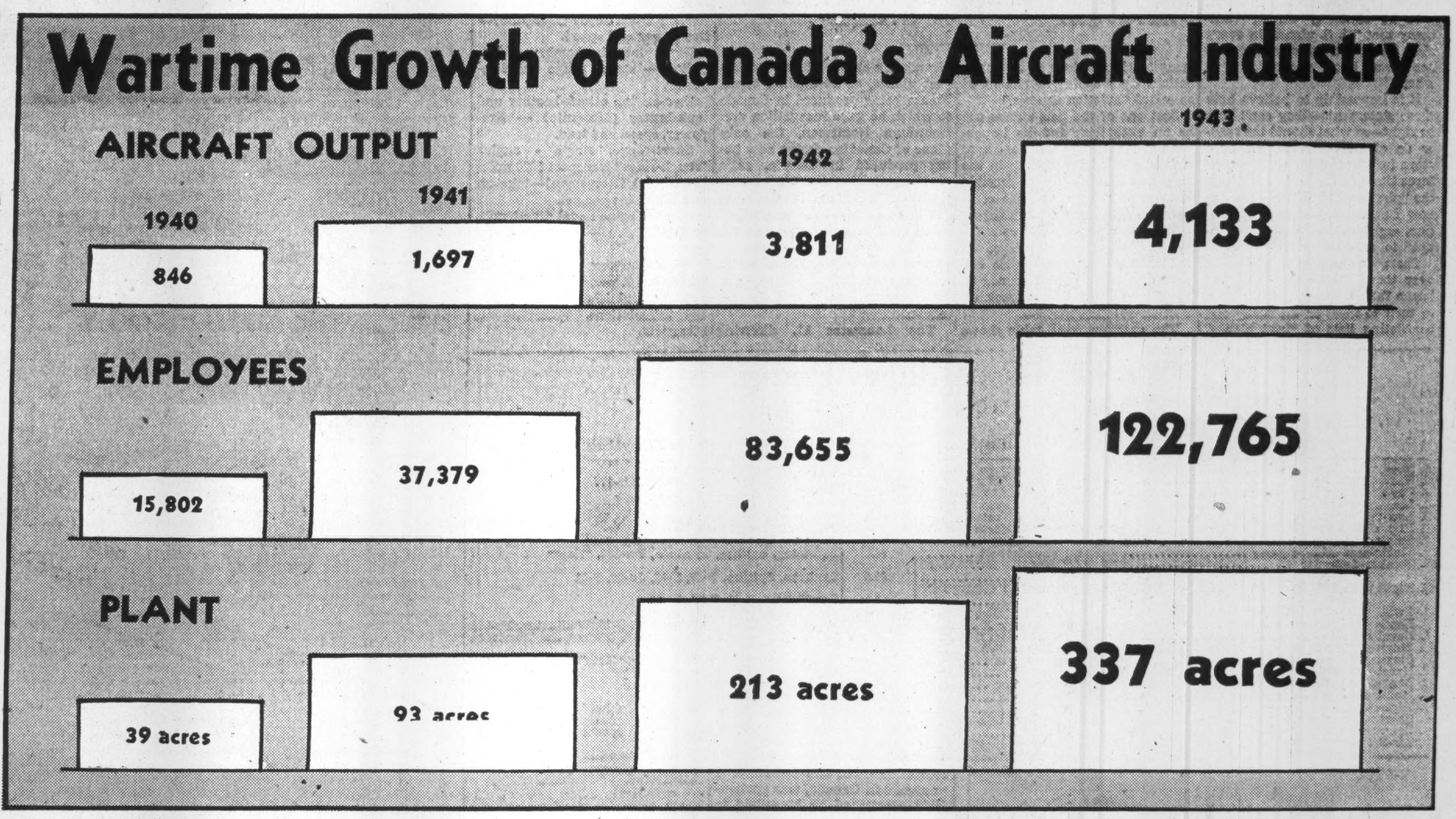
What's Ahead for Aircraft Industry?

Twenty-five-fold Expansion Since 1939—Hectic Past and an Uncertain Future



Practically from scratch, aircraft manufacture in Canada has grown to a mighty industry in the last four and a half years of war. Not a handful of pre-war industries approached its present size. One per cent of the total Canadian population are now directly employed making planes and certainly as many more are working on plane parts and equipment in the thousands of plants, large and small, that have subcontracts.

Before the war the average person in Canada had never seen an aircraft factory, let alone having worked in one. True, there were about a dozen companies building planes, ten of which did nothing else, but these were relatively small plants and their output, compared with that of the same dozen today, was insignificant. Had it not been for an occasional Government order and an odd bit of export the industry would have starved to death during the uneasy 20 years' "armistice" between the two great wars. In the first full year of this war more planes were built than the total output between 1919 and 1939.

Less than 5,000 persons were employed in Canada's aircraft factories in 1939 and in a total factory floor space of 500,000 square feet, they laboriously turned out 31 aircraft, mostly of small type. And even this modest output was greatly in excess of the immediate year. While actual war was not declared until the fall of 1939, fortunately for the United Nations there was warning that Hitler was going to run amok and preparations got under way before the fateful ultimatum of September, 1939. Some contracts for planes were let, and a great deal more were practically promised.

But the modern military plane is not a machine that can be built in a day. Even the simplest craft involves literally thousands of drawings and a huge amount of skilled labor. These were not available in Canada and early progress was painfully slow. The collapse of France did not help matters and for the first two and a half years of the war the aircraft industry was further hampered with changes in plans. Often planes became obsolete before production got really started. However, nearly a thousand planes were produced in Canada in 1940, nearly 2,000 in 1941 and nearly double again in 1942.

Actual output of planes, however, does not indicate the growth of the industry as graphically as the number of workers employed. These rose in almost fantastic fashion from under 5,000 in the first year of the war to almost 125,000 today.

Growth of Industry

The accompanying chart and table show the growth, in output, plants and labor employed, in full detail.

It will be noticed that output especially in the last two years has not risen in the same proportion as the size of plant or employment. There are several reasons for this, some of them readily and satisfactorily explained, some of them not.

Mention has been made of the constant changes in plans that dogged the industry especially in the first two years of the war.

That situation still exists to some extent, for the simple reason that this war, and especially the war in the air is far from static. Each side is constantly striving to bring out a bigger, faster and deadlier machine. At first the ordinary .303 machine gun, particularly when mounted in groups, was sufficient. In the Battle of Britain it was the eight-gunned Spitfire with its battery of .303's that literally blew the German planes to pieces. But .50 calibre machine guns began to replace the .303 and cannon, finally up to 75 millimetres, the half inch machine gun.

At the same time bombers stepped up total load and the weight of individual bombs. Each change meant work for the designer, because with planes it is not simply a case of hooking on another string of freight cars and an engine. The whole craft with load must be scientifically balanced. Each change meant a completely new design, a withdrawal of old models, a re-equipping of factories, a new assembly line. And all the time the labor employed had to be trained.

Many Type Changes

These changes partly explained the relatively slower growth of output as compared with labor and plant employed. The fact too that there was a far heavier percentage of light and small training planes in the production of 1941 as compared with that of 1943 is another factor. Today a substantial proportion of the aircraft coming out of Canadian factories are great massive four-engine Lancasters capable of carrying eight tons of bombs from Britain to Berlin and a seven-man crew both ways, and also of the speedy two-engine Mosquitoes, and the famous Curtiss Helldiver. Production of these bigger and much more highly complicated machines is not to be compared with the lighter training craft in which Canadian factories specialized in 1941.

Officially, it is reported, actual tonnage of aircraft turned out in 1943 was one third more than in 1942. Because of the heavier and more complex machines produced, weight rather than number is considered a fairer basis for comparisons.

Make Eight Types Only

Recently, in order to step up production and get more practical results from the huge national investment in the aircraft industry, production in Canada was concentrated on eight main types, four combat, three trainer and one transport. This change in policy, it is expected, will do much to further increase production.

By far the most potent factor affecting the building of aircraft in Canada and especially so in the first three years of the war was the British Commonwealth Air Training Plan. This came into practical existence shortly after the outbreak of war. To operate it required the use of several thousand training planes and after the fall of France the bulk of these had to be supplied from Canadian plants.

On the postwar future of Canada's aircraft industry and aviation generally there have been few clues either from the officials at Ottawa or the spokesmen for the industry itself. It is generally recognized that the industry, especially that concerned with the direct building and assembling of planes, is more a straight war baby than any comparable development except possibly the manufacture of high explosives. In the United States it has been stated that any one of the score of mammoth airplane factories could turn out in two weeks all the planes that American civil aviation could use in one year. That is probably an extreme view but beyond some rather vague references to prefabricated housing and entry into the automotive field there is little definite indication of the future development in Canada. This, however, is not to be interpreted that the Canadian aircraft industry has no postwar plans. It is understood that it has several, but probably until considered by the authorities at Ottawa, there will be no submission to the general public.

In contrast to those companies specializing in finished aircraft only the host of subcontractors have in the main much less to worry about regarding postwar conversion. Many of them can revert almost overnight to prewar production with the assurance that there is a large pent-up civilian demand awaiting their goods. Some of them, too, can convert to postwar use the methods and output used in subcontracting on plane parts.

Makers of molded plywood fuselages and wings, for example, will be able to use the same techniques and equipment in building furniture, boats, canoes, office partitions, perhaps prefabricated housing, etc.

Makers of special glass for aircraft will be able to use their materials in ornaments, certain types of furniture, but not, in all probability, as window glass or automobile roofs because of the lack of resistance to abrasion.

It is believed that the laminated wood used in propellers, training and other craft have a tremendously wide field in structural and other wood using trades, in addition to a possible continued market in aircraft.

It is believed that there is a strong possibility that postwar trends in living and working will open wide markets to the makers of instruments entirely aside from a continuing demand from aircraft builders.

But when the hard core of the aviation industry is approached, the firms that built or assembled finished aircraft in 1939 and are still doing it, the problems of transition, even of survival, become at least critical.

On postwar air transport, too, there has been a good deal of official silence though not as complete as that concerning the manufacturing end of the industry.

Canada has an air policy, but it is regarded in some quarters as one of temporary expediency rather than of permanency and in effect only until the international situation is clarified.

Government-owned Trans-Canada Air Lines has been designated the east-west mainline operator. The rest of the domestic field, now served almost entirely by Canadian Pacific Air Lines, is left to independent operators. Trans-Canada also has been designated the instrument of the Canadian Government in international air transport.

Pro and Con

This arrangement has its supporters; it also has its critics. Those in favor point to the difficulties that developed in the rail transport field when excessive competition or overbuilding brought about the bankruptcy of half the railway mileage in the country.

While admitting that unbridled competition is undesirable, especially in air transport, critics of the present government policy say that if Canada is to develop a commercial air transport industry to meet the competition of other countries, it must have all possible help. International air routes, it is argued, should not be restricted to a single government agency, but should be made available to other well-financed, soundly organized operators.

There is also a demand for centralized control of air operations, free from politics, to eliminate the present confusion.

The Air Industries and Transport Association have recommended the immediate creation of a central air board, similar to that of the Civil Aeronautics Board in the United States. In effect the industry seeks a regulatory and judicial body to which the operators can appeal on a basis of equality.

Of the practical development of air transport, economics and not exuberance is expected to be the deciding factor. Certainly on long hops time can be saved for the carriage of mail, express, freight or passengers. But air transport will not be used generally simply because it saves time. Cost is the determining factor.

Undoubtedly aircraft will take some forms of traffic away from established transport methods. It is equally true that air transports will develop or create traffic of its own. The latter is the unknown factor. The former can be judged with a fair degree of certainty; but what traffic will be created time only will tell.

Volume of traffic moved by air lines in Canada today is a mere fraction of the total freight and passenger business of the surface carrier.

Atlantic Flying Ripe

Trans-Atlantic, and in time trans-Pacific, passenger business from and to Canada is confidently expected to develop on an important scale after the war.

Plans are being laid to meet this development. Trans-Canada Air Lines is operating a non-commercial regular schedule even now between Canada and Britain, via Newfoundland. A route to the West Indies is being surveyed. Others are in the making.

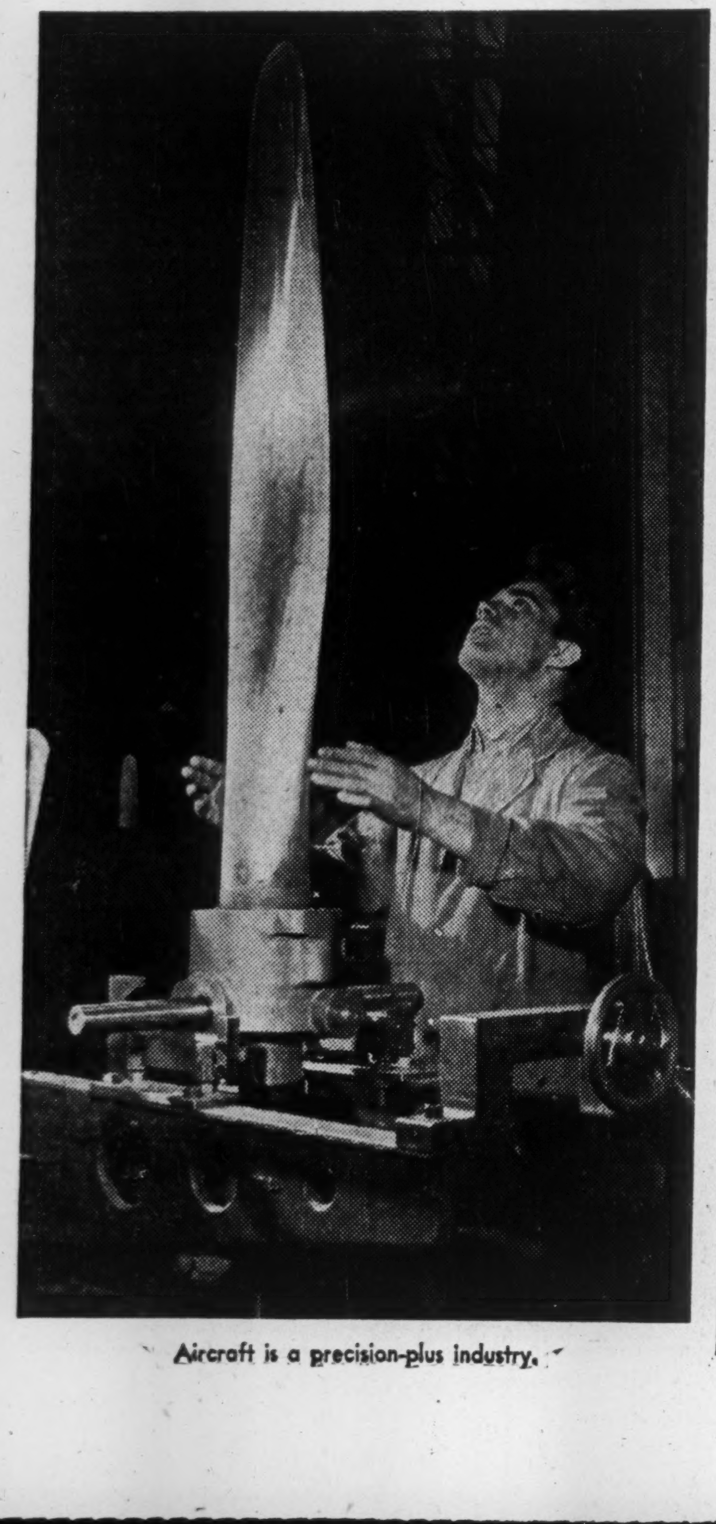
Great things are expected of trans-Atlantic flying after the war, for Canada stands astride most of the world air routes of tomorrow.

Enthusiasts have also pictured regular air services over the "top of the world" via Canada to Europe. Some day such a prospect may become a reality. The difficulty will be in establishing first a safe route, and second a payload over the territory to be travelled.

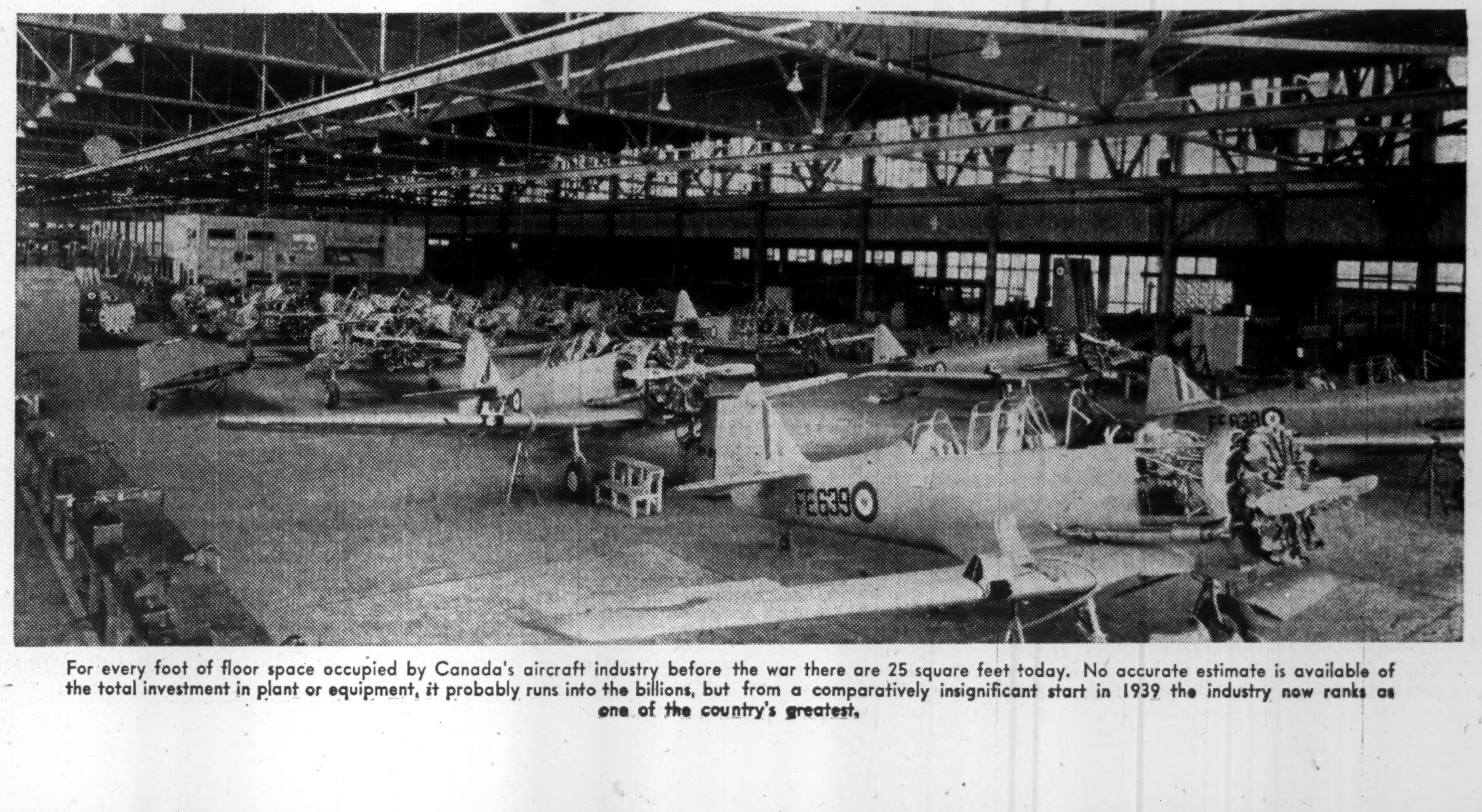
Growth of Wartime Aircraft Industry

Production	1939	1940	1941	1942	1943
Elementary trainers	5	680	716	592	1,309
Advanced trainers	...	...	237	2,106	1,841
Service craft	26	166	744	1,113	983
Total	31	846	1,697	3,811	4,133
Aircraft assembled from imports	...	361	2,297	2,956	3,257
Employment	4,948	15,802	37,379	83,665	122,765
Floor space*	504	1,684	4,048	9,271	14,691

*000's omitted square feet.



Aircraft is a precision-plus industry.



For every foot of floor space occupied by Canada's aircraft industry before the war there are 25 square feet today. No accurate estimate is available of the total investment in plant or equipment, it probably runs into the billions, but from a comparatively insignificant start in 1939 the industry now ranks as one of the country's greatest.

The World's Best Planes?

English Writer Tackles Major Controversy

Four planes being made in Canada rank among the world's best 22 military aircraft, according to a new basis of comparative values worked out by the noted British authority, Peter Masefield.

Masefield's findings are published in the table on this page. Comment and interpretation are reproduced from the current issue of Canadian Aviation.

According to an official release found in the morning mail, British combat planes, "aircraft for aircraft, are superior in design and performance to any other comparable aircraft in the world."

The same mail, however, brought similarly strong testimony that "U. S. planes, in every classification, excel anything that has ever been produced elsewhere."

It is impossible to believe both those statements—they can't both be right—so what should the reader do about believing the even more insistent claim (it appeared three times in the same mail) that the "planes of the United Nations now surpass, in every classification, anything the Axis has managed to produce so far?"

There is cause for confusion over these assertions. It doesn't lessen the confusion much, either, to turn to most of the many and conflicting lists of "best planes" compiled for various U. S. publications by a wide assortment of so-called "aviation experts."

Just one of the lists stands out as an exception, and its importance lies less in the names of planes selected for it than in the fact that it sets up a sensible method of establishing the comparative worth of the planes of all nations—whether Allied or Axis.

This method was developed by Peter Masefield, the British expert who recently was named as adviser to Lord Beaverbrook on civilian aviation matters.

The accompanying table shows Masefield's choice of the world's best planes, of 22 distinct types. Planes being produced in Canada to which he gave recognition are: Noorduyn Norseman, the only plane of Canadian design now being produced in Canada, as a short-range single engine transport: De Havilland Mosquito as (1) day and night reconnaissance bomber; (2) night intruder fighter; and (3) two-engine attack-bomber and tank-buster; Lancaster as a heavy night bomber; and Curtiss Helldiver as a single-engine naval dive-bomber.

The Lancaster 11, differing somewhat from the Lancaster 1 produced in Canada, was particularly mentioned by Masefield in his listing.

In setting a figure of 100 on which to work percentages, Masefield proceeds thus: The maximum speed which any airplane may hope to attain today is 500 m.p.h. If, therefore, a certain type attains 420 mph., then its "quality factor" on that count would be 84%. If the maximum attainable rate of climb were 6,000 feet per minute, and the plane climbs at 4,000 feet per minute, then its "quality factor" on this point would be 66.6%. Combining the two, we arrive at an overall figure of 75.3%.

Proceeding with his calculations in this way, Masefield then set up a table, giving a fixed, relative mathematical value for the maximum performance by any plane within a classification, covering each of the major and minor qualities desired in the type of planes under study.

The total obtainable, by taking all the best scorings from all the planes in any given group, comes to 100%.

Each of the planes in the group was then measured—in terms of its major and minor qualities for the duties assigned to it—against this "ideal of quality factors" in the table.

The final finding for any aircraft listed as a "best plane" was reached in this way — shows not only its leadership but also how it measures up against the theoretical ideal.

Under such a method of calculation, listing a plane as "best" constitutes a high and reasonable tribute.

When a finding reached in such a way leads to the conclusion that planes of the United Nations now definitely surpass, in every classification, anything the Axis has produced, then it can be taken seriously—and that is what Masefield says.

Major qualities measured (secondary ones were also given full consideration) in classifications where Canadian-type planes were ranked as "world's best," included:

Ranking

Long-range heavy day bomber (Lancaster) — bomb load and range.

Bomber-destroyer (Mosquito)—fire-power and speed.

Night intruder-bomber (Mosquito) — speed, range and fire-power.

Two-engine attack-bomber and tank-buster (Mosquito) — fire-power, speed and load.

Short-range, single - engine "rough-rider" transport (600 miles in still air) (Norseman)—take-off and ton-miles per gal.

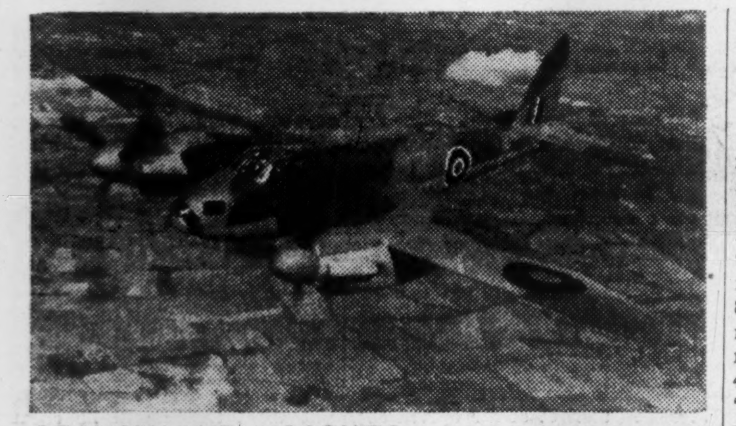
Single-engine naval dive-bomber (Helldiver) — bomb load and speed.

Secret information on aircraft whose exact performance has not yet been published is included in his calculations, according to Masefield.

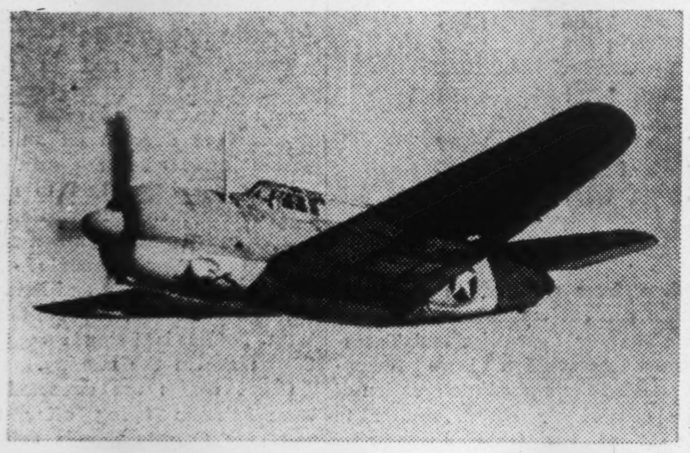
World's Best Military Planes

Types produced in Canada shown in bold face

Category	World's Best	Per cent of Ideal	Some Types Considered
1. Heavy day bomber	Consolidated Liberator	78.4	B-17G, Lancaster, Ju-88, Do-217
2. Heavy night bomber	**AVRO LANCASTER II**	75.2	Halifax, Stirling, B-17G, B-24J, He-177
3. Day and night reconnaissance-bomber	**DE HAVILLAND MOSQUITO**	93.2	B-26, P-38J, A-20, Ju-88, Baltimore
4. Long-range patrol bomber (anti-submarine)	Consolidated Liberator	75.6	Sunderland, Catalina, Mariner, Lancaster, Coronado
5. Low-medium altitude single-engine fighter	North American Mustang II	75.0	Spitfire IX, Fw-190, P-38, Me-109G, Typhoon, P-39Q, P-40
6. High altitude single-engine fighter	North American Mustang II	91.4	P-47, Spitfire IX, P-38, Me-109G, Fw-190, P-39
7. Single-seat fighter-bomber	Lockheed Lightning	89.2	Typhoon, Whirlwind, Fw-190, P-40, P-51
8. Single-seat escort-fighter	Republic Thunderbolt	73.6	Lightning, Spitfire, Typhoon, Fw-190, "Hap"*
9. Bomber-destroyer	**DE HAVILLAND MOSQUITO** (fighter)	91.6	Typhoon, Spitfire, P-47, P-39, Ju-88, P-51
10. Night intruder-fighter	**DE HAVILLAND MOSQUITO** (fighter)	95.2	Beaufighter, P-61, P-70, Ju-88
11. Two-engine attack-bomber (and tank-buster)	North American Mitchell	85.0	Hs-129, A-20, P-38, Whirlwind
12. Land-based torpedo-bomber	Bristol Beaufighter X	90.0	Beaufort, P-38, Do-217, "Betty"*, B-26, Wellington, He-111
13. Naval intercepter-fighter	Supermarine Seafire IX	95.2	Hellcat, Corsair, "Keke"*, "Hap"*, Wildcat, Sea Hurricane
14. Single-engine naval dive-bomber	**CURTISS HELLDIVER**	89.4	Dauntless, "Val"*
15. Single-engine naval torpedo-bomber	Grumman Avenger	75.8	Barracuda, Albacore, Swordfish, "Kate"*
16. Naval escort-fighter	Grumman Hellcat	92.8	Corsair, Seafire, Wildcat, "Hap"*
17. Long-range transport	Douglas Skymaster	91.8	Constellation, Stratoliner, Ju-290
18. Medium-range high-capacity transport	Curtiss Commando	92.3	Skytrain, Ju-52, SM-82
19. High-speed medium-capacity transport	Lockheed Lodestar	93.2	Flamingo, Electra, Q6, Envoy, Lockheed "14"
20. Short-range single-engine transport	**NOORDUYN NORSEMAN**	89.9	Fairchild "82" Bellanca Senior Pacemaker, Caproni Ca-111
21. Long-range transport flying boat	Boeing Clipper	87.6	Coronado, Mariner, Short "G," Excalibur
22. Air-Sea-Rescue and general amphibian	Chance Vought VS-43B	82.6	Walrus, Goose



DE HAVILLAND MOSQUITO
Three firsts were scored for this all plywood British-designed craft in the Masefield appraisal, as a night intruder fighter, as a reconnaissance-bomber and as a bomber-destroyer. It is manufactured in this country by de Havilland Aircraft of Canada.



CURTISS HELLDIVER
Tops in the naval dive bomber class this American-designed machine is now being made in Canada by Canada Car & Foundry at Fort William, and Fairchild Aircraft at Montreal.

LANCASTER II
Best heavy night bomber according to Peter Masefield is the big four-engined, eight-ton bomb capacity Lancaster II. It is British designed. An almost identical type, the Lancaster I is manufactured by Victory Aircraft Ltd., of Malton, Ont.

NOORDUYN NORSEMAN
Credited as best short range single engine transport, the Norseman is generally described as the only plane specially designed in Canada. It is manufactured by Noorduyn Aircraft Ltd.

Aircraft Workers Buy $10 Millions Last Loan

Canadian aircraft workers bought nearly $10 millions of Fifth Victory War Bonds. In the Fourth Loan, earlier in the year, they purchased about $7 millions.

This is a total of roughly $17 millions which the workers have loaned the Government in one year alone. This total includes only the main aircraft plants which employ about 75,000 workers. It does not include the 30,000 odd workers employed in plants only partially devoted to aircraft production.

As high as 22% of the total payroll dollars is pledged for the next six months, according to plant analysis. This means that of every $100 earned by the workers in half a year, $22 will be given back to the war effort.

Launch Research On Air Problems

Air-Age Education Research, an organization to advance understanding of air transportation and to prepare authoritative material on aviation for teachers in schools and colleges and the general public, was launched at a recent meeting in New York. A group of High-ranking educators, air transportation executives, aviation engineers and pilots were invited to organize a program for intensive study of air transportation problems.

Following are the officials of Air-Age Education Research:

DR. N. L. ENGELHART, Jr., Director.

Members of Advisory Board:

DR. ALEXANDER J. STODDARD, Supt. of Schools, Philadelphia.

DR. EDWIN A. LEE, Dean of School of Education, U. of Calif.

DR. BEN M. CHERRINGTON, Director of Foundation for Advancement of Social Sciences.

Fleet Shifts to Combat Planes

Announcement of production of a combat plane to be made by Fleet Aircraft, Fort Erie, was made by General Manager Deisher recently. Current plans indicate the present payroll of some 2,500 workers will be maintained as will production of Fleet Cornell training planes, though on a reduced basis from the present monthly high rate.

DE HAVILLAND MOSQUITO

Fastest Bomber in the World!

Canadian-Built de Havilland Mosquito

An Outstanding Warplane

by the leading builders of transport aircraft in the British Empire

The de Havilland Aircraft of Canada, Ltd.
TORONTO

Has Air Transport a Future?

Say Economics Have Last Word in Coming Air Plans

Lined up on the snowy runway of a northern airport, transport mammoths of the aircraft industry tune up for a transocean hop. In transatlantic flying great things are expected of Canadian air transport after the war.

Canada is no fledgling in the development of commercial flying business.

Sometimes forgotten is the fact that as late as 1939 the volume of air freight carried by Canadian lines was 19 million lb. or double that carried by American air carriers for the same year.

What Canada did before the war is no key as to what she may do after the war.

Development of air transport, which many super-optimists overlook in their enthusiasm, will be determined economically. Certainly on long hops time can be saved for the carriage of mail, express, freight or passengers. But air transport will not be used generally simply because it saves time. Cost is the determining factor. This is the more sober view now subscribed to by the majority of operators.

Undoubtedly aircraft will take some forms of traffic away from established transport methods, such as rail, truck, etc. It is equally true that air transports will develop or create traffic of its own. The latter is the unknown factor. The former can be judged with a fair degree of certainty; but what traffic will be created time only will tell.

Room for Expansion

Volume of traffic moved by air lines in Canada today is a mere fraction of the total freight and passenger business of the surface carrier.

For every passenger carried in 1942, there were 25,200 moved by the railways.

For every ton of freight shipped by air, 267 tons moved on steel rails.

For every pound of mail carried by plane, 63 lb. continued to move by rail mail car.

Then, too, there is traffic carried by buses and trucks and steamships.

All the services provided by these different forms of transport are open to air transport.

Atlantic Flying Ripe

Trans-Atlantic, and in time trans-Pacific, passenger business from and to Canada is confidently expected to develop on an important scale after the war.

Plans are being laid to meet this development. Trans-Canada Air Lines is operating a non-commercial regular schedule even now between Canada and Britain, via Newfoundland. A route to the West Indies is being surveyed. Others are in the making.

The great strides Canada's air transport business has taken in recent years have encouraged enthusiasts to outdo themselves in painting rosy pictures of the industry's future. Hard-headed students say development will be governed by economics. Air transport, it is claimed, will not be used just to save time. Cost will be a big factor, as will the unanswered question of whether air transport will create traffic of its own.

Great things are expected of trans-Atlantic flying after the war, for Canada stands astride most of the world air routes of tomorrow.

Enthusiasts have pictured regular air services over the "top of the world" via Canada to Europe. Some day such a prospect may become a reality. For the immediate future, it is most unlikely for two reasons: difficulties in establishing a safe route, and lack of payload over the territory travelled.

But an east-west Atlantic service is not of the future; it has arrived. The experience gained in operating regular services under wartime conditions ensures commercial operations immediately following the end of the war.

Matter of Speculation

Where Canada will fit into the trans oceanic field, and particularly the North Atlantic, is a matter of speculation and at this time a subject of discussion.

Until international air plans crystallize, it is of little value to guess what share of this business will come to Trans-Canada Air Lines or any other air system licensed to operate over the Atlantic route. On one point can there be any definite statement, namely, that Canada will need to avail herself of all facilities — technical and financial—if she is to hold the place in trans oceanic air transport warranted by her geographic position.

Need Little Equipment

Potentially the North Atlantic air transport route offers great possibilities. Yet it is important to keep this highly publicized field in proper perspective. United Air Lines' Survey calculated that 15 planes, with a capacity of 100 passengers, and a non-stop range of 3,500 miles would suffice to handle the trans-Atlantic market for 1944, and 43 of such types could do the job in 1948 based on the requirements of September as a peak month.

A survey of Canadian traffic on this route by CPAL led to the conclusion that by 1955 there will be twice as much passenger traffic moving across the Atlantic as in an average pre-war year and that two thirds of this will move by air. Time saving on a ratio of at least 7 to 1 is an advantage held by airlines in the competitive traffic field.

This survey also brought out the fact, well to keep in mind, that regardless of the mode of transportation cost is proportionate to speed.

Many people will want to travel from Canada to Britain by air after the war, but will be prevented from doing so by its cost. In time air transport operators will be able substantially to lower rates. Until that is done, volume of traffic must necessarily be limited to those that can afford to travel by air rather than to those who would like to travel by air.

Other Forms of Traffic

Trans-Atlantic passenger trade is only one form of traffic in prospect for air transport operators. There are other and less spectacular types of traffic, but no less important.

Transportation of foodstuffs may develop a specialized type of air cargo. Dehydrated vegetables take from one third to one sixth the space required for similar products processed in other forms.

Ready-made express and freight traffic awaits air transport in goods or merchandise of high value, such as silks, securities, radium, gold, diamonds, etc.

Air traffic will develop many new types of products which will move by air alone and this will open up markets altogether inaccessible to surface transport.

Air cargo should mean a reduction of insurance charges, lower packaging costs, and will help in developing merchandising technique by providing suppliers with quick and ready inventories.

Costs Are Vital

How far the airplane will go in developing traffic depends on costs.

Take the matter of passenger traffic. While both speed and comfort are of prime importance to the competitive traffic, cost is No. 1 item facing airlines out to capture a larger volume of traffic.

Taking 1939 as a normal year in U. S. traffic operations, the following average per passenger mile rates were in operation for various types of transport:

Motor	$1.88
Railroad coach	2.11
Automobile	3.02
Pullman	3.49
Airplane	5.04

Thus the relative cost situation as it was. Greatest reductions in future will likely be in air rates. It is doubtful whether proportionate reductions can be made in such tariffs which have already reached a relatively stable level.

Air Mail Big Field

In the case of air mail postal authorities generally agree that all first-class mail after the war will move by air where a time saving is involved. This development in itself will considerably expand air traffic and may ultimately lead to forming direct air-mail services.

During 1942 Canadian surface mail handled totalled 250 million lb., of which 17 millions was first class and 122 millions second class.

Airmail handled the same year totalled only 4 million lb.

Newspapers, it is believed, will be carried after the war to an increasing extent. During the war The Times of New York and The Times of London have both been sending copies abroad by airplane.

This development, plus mail carrying, says Lord Beaverbrook, will exceed even the development in passenger numbers.

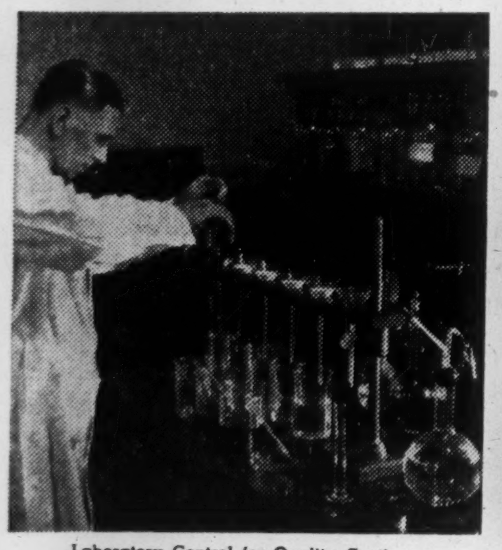
Basis of Competition

A less favorable situation shapes up for express and freight where air transport competes with surface agencies. On a pre-war basis air express rates were around 60-80 cents per ton mile. This compared with rail express tariffs of about 13 cents; 4½ to 5 cents for LCL per ton mile and a rail freight figure of less than 1 cent per ton mile.

As cost of air cargo comes down, one may assume some of this business formerly taken care of by other methods of transport will swing over to the airplane. Distribution will be highly problematical. Given an air freighter which can be operated at from 15-20 cents per ton mile—and a number of this type are already being developed—it would seem that the first kind of freight business to be affected by air cargo

(Continued on page 18)

"A Defective Casting May Be As Dangerous As An Enemy Plane"



Laboratory Control for Quality Castings

Bomber Pilots at Their Controls.

Comrades at the Controls

Quality Maintained Through
Expert and Complete Pattern Service
Metallurgical Control
Radiographic Examination
Scientific Foundry Engineering
Laboratory Sand Control
Precision Heat Treatment
Careful Mechanical Finishing

Science rides the skies. Thousands upon thousands of "laboratory-controlled" Mitchell aluminum and Elektron magnesium aircraft castings have proven their dependability from the ground UP.

Our "laboratory ground crews" salute the airmen who carry their product to the front line of the skies.

MITCHELL

THE ROBERT MITCHELL COMPANY LIMITED
Foundries: ST. LAURENT, P.Q. 1851—1944 Factories: MONTREAL, P.Q.

WAR IS A TOUGH TEST... for paints

WAR does not wait for fine weather. It blasts ahead in all its bitter fury in all extremes of climatic conditions!

Sherwin-Williams paints are serving on the high seas—in the air and on land—wherever free men are fighting to stamp out slavery!

Protection of the weapons of war against corrosion is the prime duty of any good paint that has gone to war. Sherwin-Williams paints have been protecting surfaces for 77 years. They are known and trusted for their high quality and extreme durability.

It is this service through the years that has made Sherwin-Williams paints able to meet the "Tough Test" of today's lightning warfare!

THE SHERWIN-WILLIAMS CO.
of Canada, Limited
Head Office MONTREAL

HOME Straight as an Arrow...

With the unconditional surrender of our enemies,—which must be won by our blood, sweat and toil—, will come peace and the post-war period of reconstruction and development.

Aviation, now the No. 1 industry of America, will continue to lead the way. From the centers of our great cities to the vast expanses of our rural sections, Airplanes will play a leading part in our lives. Distances between home and place of business will be of much less importance, as the speed and efficiency of Aircraft will make commuting practical and economical. You can go home straight as an arrow, from wherever you are.

Advanced engineering and foresight will continue Jacobs leadership in the production of dependable and economical Aircraft Engines — *practical engines* for the private owner, the business concern and the "feeder" Airline.

JACOBS AIRCRAFT Engines
POTTSTOWN · PENNSYLVANIA · U·S·A·

Wanted—A Postwar Air Policy

Development of Our Strategic Position in Balance

Canada occupies a most strategic position on the world's air maps.

Assets to make her a first-class power in the after-war air transport field include geography, trained flying personnel, experience, air bases and a highly organized meteorological service.

With assets go certain liabilities—a small population and limited traffic, and, to date, a somewhat groping policy as to exactly what she wants to do.

Air Transport Ready

Air transport is ready now to take its place beside other established forms of transport: water, rail and road.

Developments over the last four or five years have been revolutionary in character. Progress has been as great as would have been made in 25 years or more of peacetime growth.

The immensity of the possibilities of this newer form of transport for a country like Canada, which has been restricted in its economic development through the vastness of its area, is almost beyond calculation.

Shipping cargo by air. Here Canada's transport pilots load up for a flight of perhaps a thousand miles into the Canadian north. After the war the air transport business will likely specialize in certain types of air cargo: dehydrated vegetables, for instance, and high class merchandise such as silks, securities, radium, gold and diamonds.

Temporary Air Policy

Canada has an air policy, but it is regarded in some quarters as one of temporary expediency rather than of permanency. The Government-owned Trans-Canada Air Lines has been designated the east-west mainline operator. The rest of the domestic field, now served almost entirely by Canadian Pacific Air Lines, is left to independent operators. Trans-Canada also has been designated the instrument of the Canadian Government in international air transport.

This arrangement has its supporters; it also has its critics. Those in favor point to the difficulties that developed in the rail transport field when excessive competition or overbuilding brought about the bankruptcy of half the railway mileage in the country.

While admitting that unbridled competition is undesirable, especially in air transport, critics of the present government policy say that if Canada is to develop a commercial air transport industry to meet the competition of other countries, it must have all possible help. To that end, it is argued, international air routes should not be restricted to a single government agency, but should be made available to other well-financed, soundly organized operators.

Chief liability holding Canada back from occupying a position as a first-class power in postwar air transport is need for a permanent policy, rather than the present one which at best is regarded as a temporary expedient. The Air Industries and Transport Association recommends immediate creation of a central air board, similar to that of the Civil Aeronautics Board in the U. S., to which operators can appeal.

There is also a demand for centralized control of air operations, free from politics, to eliminate the present confusion.

Need for such politics-free control of air operations is highlighted in the January Canadian Aviation which pictures the obstructionism and confusion which reigns in the elementary step of taking out a license for an air line.

If you want to operate a scheduled air transport service, it is reported, you must first apply for a license to the Controller of Civil Aviation of the Department of Transport. On the license you must list, besides the nature of the service, your terminal airports, other airports of call, together with proposed route, maintenance facilities, meteorological services, etc.

With this start you then try to get a license: according to Canadian Aviation your Department of Transport license is valid only if you hold an additional license from the Board of Transport Commissioners of Canada authorizing you to operate over the said route. But this board will not grant its license unless you first have the aforementioned license from the Controller of Civil Aviation, who ordinarily will not issue his permit unless you have the license issued by the Board of Transport Commissioners.

The explanation: The Deputy Minister of Transport, the Director of Air Services and the Chief Superintendent of Air and Land Mail Services, P. O. Dept., are all on the Board of directors of the Government-owned Trans-Canada Air Lines, yet have direct control over issuance of licenses to private operators.

According to Canadian Aviation, before the application to the Board of Transport Commissioners can be dealt with by them, various aspects of the proposed route must be designated by Order-in-Council as a licensed air route. Then the Minister of Munitions and Supply and the Deputy Minister of the Dept. of Transport must recommend the proposal to the Cabinet Council.

In the meantime, it is pointed out, should the Government air line want to operate on the proposed route at some future date, then the Order-in-Council never goes forward. The Board of Transport Commissioners cannot proceed. In other words, this body has little or no authority.

Recommended by the Air Industries and Transport Association is the immediate creation of a central air board, similar to that of the Civil Aeronautics Board in the United States. In effect the industry seeks a regulatory and judicial body to which the operators can appeal on a basis of equality.

Canada's long term air policy probably will not crystallize until there is international agreement on air transport. An early settlement is desirable. In any event there is no doubt that after the war this country will have an air transport industry of the first magnitude.

Has Air Transport A Future in Canada?

(Continued from page 17)

transport will be in the rail express brackets and certain types of LCL freight traffic.

Where will this traffic develop? Under present routes Canada has a major east-west mainline operated by Trans-Canada Air Lines. It has another system in the north, Canadian Pacific Air Lines, somewhat disjointed from the point of view of centralized operations but still under one management and eager to expand. Both systems are controlled and operated in conjunction with the two transcontinental railways.

The main line business is now and probably will be for years to come essentially one of passenger, mail and express. All three forms of traffic, plus cargo of a bulkier type, come into the orbit of the other system.

In the past development of air cargo has been largely in non-competitive areas. This is especially true of air cargo moved to isolated northern points.

To what extent will the north be opened? At this stage it is hopeless to make even a well-informed guess, considering the revolutionary nature of air transport, anything is possible.

Industry's Place in Postwar

What part will Canada's aircraft manufacturing industry play in developing of postwar air transport?

The answer will not be found "in the back of the book!"

Often overlooked is the fact that aircraft manufacturing in Canada is not an integrated industry. Many instruments must be imported. Not one airplane engine is built in Canada. There is only one machine of purely Canadian design.

Study Plane Types

At this stage a government committee is studying the postwar equipment situation.

The committee is talking four types:

1. A single engine general utility plane of 7,500 lb., with floats, skiis and wheels, to be used in northern bush work.
2. A twin-engine general utility plane of about 15,000 lb., also equipped with floats, skiis and wheels (in all likelihood the majority, it is believed, will be confined to wheels), these again to be used on offline services to light traffic centres in the north, etc.
3. A twin-engine inter-city plane of about 50,000 lb., for local air services, on wheels.
4. A four-engine trans-continental and trans-ocean type ranging from 65,000 to 140,000 lb.

Need Few Machines

What will be the probable demand for these types? Will Canadian companies be able to manufacture them? Will they be able to compete with American and British plane manufacturers?

The outlook is not encouraging if the Canadian industry has to depend upon commercial air transport for its "bread and butter" business.

Not long ago a study by certain air interests in Canada indicated that a total of 400 to 500 planes composed of the types mentioned would certainly handle all the traffic in Canada for the five-year period after the war.

But the hopes of the aircraft manufacturers do not begin and end with probable demand from commercial air transport operators.

There is the matter of national defense. Modern defense, particularly for Canada, depends greatly on air defense. This means that in all likelihood the Dominion will maintain a large fleet of military planes of all types after the war.

If RCAF postwar strength should reach 10,000 machines, as many competent observers think, there would be at least 1,500 replacements yearly.

This, in itself, would be a far larger market than the commercial operators could offer, particularly as the latter have been buying most of their equipment from U. S. sources.

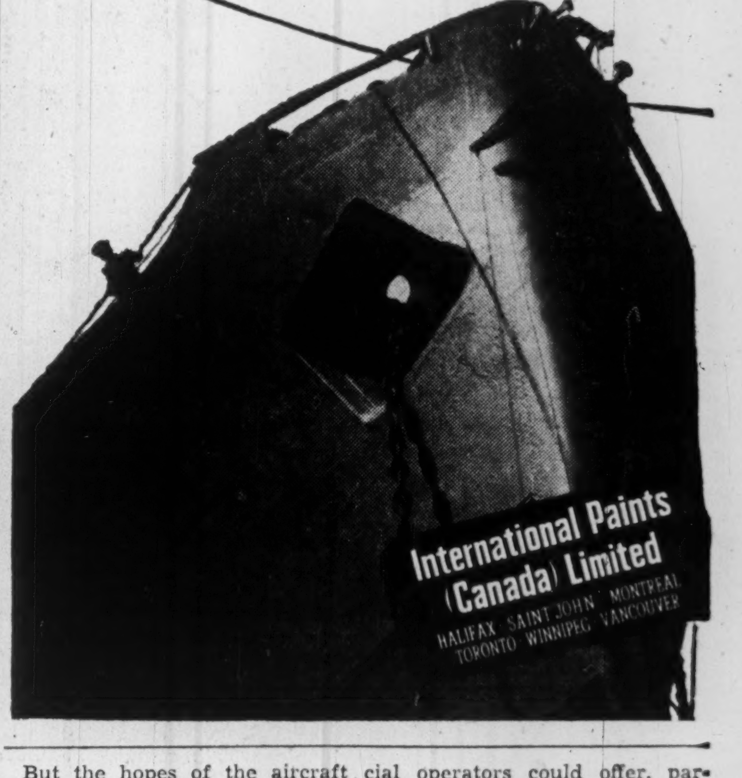
Just where the manufacturing industry will fit into Canada's postwar air transport plans, is necessarily guesswork at this stage. Problems of a major type face the industry. The outlook is dark but by no means hopeless. This is the attitude of the manufacturers, all of whom are now laying their plans to carry on after the war.

They plan to do their part in helping Canada to find a plan for herself in the postwar air transport world.

CANADA BUILDS AND PAINTS

Canada's 500 ships of war. Before the war, Canada had only 15 ships in her Navy. Now she has more than 500. This expansion is an accomplishment of which any nation might justly be proud . . . These 500 ships require paint, much of it specially designed to meet the peculiarly strenuous conditions of Canada's war at sea. To the task of supplying this paint, International has wholeheartedly devoted the trained efforts of its chemists and the technical equipment and training of its worldwide organization.

D.N.D. Naval Service Photo



See Possibility New Motor Fuel

A looming shortage of motor gasoline led the Dominion Government early in the war to begin investigating substitutes. Of the numerous experiments, reports the National Research Council, the most attractive result appears to be producer gas, made from coal, coke or charcoal.

This gas is made in a small furnace similar to those used for heating houses which may be attached to the car, or operated at a central point.

The fuel used in the producer or "gasogene" is charcoal, wood, hard coal or coke. Of these the two first are ordinarily obtainable in all parts of Canada.

These gas producers have been used for stationary gas engines for over 50 years and the small ones, suitable for cars, trucks and motor boats, were employed to some extent in the British Army during World War I. After that, they were used quite extensively in Europe, where there are now about half a million of them.

Offers Some Risk

For general use many precautions must be taken.

The gas contains about 30% of carbon monoxide and therefore is very poisonous. It must be properly cleaned before it goes to the engine, otherwise the cylinders will wear rapidly or the valves become stuck with tar.

The scrubbers and filters that clean the gas must be cleaned regularly and the plant kept free from leakage.

There is a considerable risk of setting fire to the vehicle when cleaning out ashes.

It is improbable that gas producers will be generally applied to cars for some time, says National Research, as service difficulties are great. Also, unless the engine is modified, the power developed in producer gas is only about 60% of that in gasoline.

Ottawa Fighters Dash To Alaska in 48 Hrs.

A notable feature of Canadian activity in the Aleutians campaign came to light recently. An emergency appeal brought a fighter squadron, intact, from Ottawa to an Aleutian outpost in 48 hours.

The Key is in the AIR...

No longer need nature's barriers bar the way to the full development of Canada's natural resources. The key that will unlock the door is—air transportation.

Today C.P.A. carries on the service begun by Canada's air pioneers . . . who opened a whole new continent in Canada's Northland. At the same time, C.P.A. is engaged in building an integrated air system which, in co-operation with other lines, will bring air transportation within the reach of every Canadian—and every Canadian enterprise.

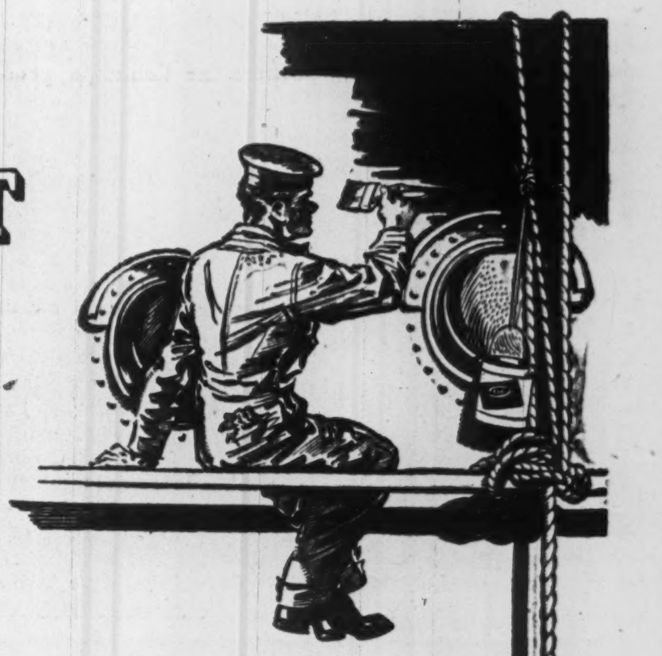
Yes, the key to Canada's future development is in the air . . . and the key is turning in the lock!

Canadian Pacific AIR LINES

THE WINGS OF THE WORLD'S GREATEST TRAVEL SYSTEM

CHEMISTRY HELPS TO WIN THE WAR

WAR PAINT FOR A FIGHTING NAVY



C-I-L paint is efficient battle dress for a fighting navy—tough, durable paints that stand up to the ravages of war and wind and weather.

To keep them in fighting trim the ships of the Royal Canadian Navy—destroyers, frigates, corvettes, minesweepers and auxiliaries—must wear protecting coats of paint. For protection against the wear and tear of salt water, marine growth, rust and extremes of climate. Paint also protects in battle by ship camouflage.

For war paint the Canadian Navy uses special marine finishes and other heavy duty paints that prevent rust and fouling. Many of these paints have been developed to meet the rigid demands of war at sea. On shore, too, paint has its special values for the navy at docks, training stations and shore establishments.

Of course, paint has always been a fighter—even in peacetime. It is continually battling the destructive forces of rust and decay. Its wartime uses only serve to emphasize its importance at all times.

Supplying war paint for Canada's fighting navy is one of the wartime jobs of C-I-L's Paint and Varnish Division.

High-grade paints for the protection of war material is another example of how Industrial Chemistry aids Canada's war effort.

CANADIAN INDUSTRIES LIMITED

PA280

100,000 Workers Make Canada's Planes

Combat, Training and Transport Types, Feature Dominion's Production

No Canadian industry perhaps, excluding explosives, can match the impressive wartime expansion of Canada's aircraft industry.

From a nucleus of approximately 1,000 employees in the years before the war, successive expansion programs have carried the industry along to the point where employment is 100 times as great.

Over 100,000 Canadians are today working on aircraft production, 25% of them women.

And production is still all out on the aircraft production front with further people being channeled to plane manufacture.

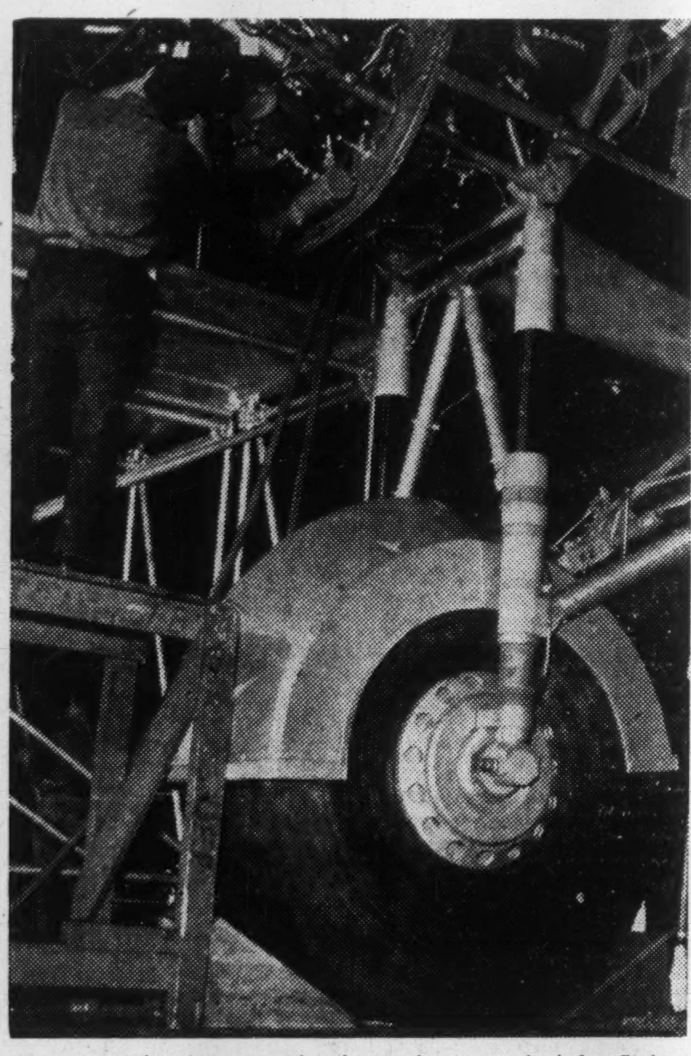
Canadian plants, which are striving for ever greater production, can now turn out hundreds of planes a month. In the course of little more than 12 months it is estimated that $1 billion of airplanes can be produced. Wages paid aircraft workers run into hundreds of millions of dollars per annum — are apparently greater than Canada's annual gold production.

Expansion Amazing

Before the war Canada's aircraft industry used only 500,000 sq. ft. of floor space; less than 40 aircraft were produced a year. The entire industry could be housed in a two-story plant covering a city block.

But today aircraft industry plants cover over seven million square feet. It would require a city larger than Hamilton, Ont., to provide just the workers needed in aircraft production.

Deliveries so far in the war are in the neighborhood of 10,000 planes.



Here a mighty Lancaster bomber is being readied for flight. This skilled aero-engine mechanic demonstrates he knows his way about the intricate maze of the big bomber's "power plant" as he gives her a final tune-up.

Planes More Complex Now

Plants which were formerly geared to turn out the relatively simple planes of peacetime have, for the most part, been tooled up for the production of advanced trainer and operational craft.

Considering the size of this country and the relative youthfulness of the Canadian aircraft industry, a remarkably wide and well-developed range of planes has been turned out varying all the way from diminutive Moths to huge bombers of Victory Aircraft.

Before the war, all Canada's aircraft industry could have been placed in a two-story building covering a city block. Today it would require a city as large or larger than Hamilton to provide just the workers needed for day-to-day operation.

From bombers to trainers, Canadian planes rank with the best turned out in the world. Famous names in the battle headlines now feature the Canadian production program.

In combat planes, the aircraft industry has emphasized four types.

Stranaer flying boats have played a key role in guarding Canada's Atlantic and Pacific frontiers and in combating the submarine menace.

Canadian-produced Lancasters compare favorably with those turned out in the United Kingdom. In the Lancaster, this country is not only turning out the world's largest bomber but the four-engined bomber which has shown the lowest loss ratio under actual combat conditions.

Mosquito bombers, produced in Canada, are unquestionably supreme in the "hit and run bomber" field. And this is again a plane which has shown its ability to come through unscathed from enemy raids.

The Curtiss Hell-diver, which Canada is assisting in producing for the United States navy is an old yet a new plane. The latest version just recently placed in operational service boasts over 1,000 major changes over a previous model. It rates as something very unusual — a dive bomber which can keep up with the fast fighter planes being turned out today.

Four Trainers

Three types of training plane are being turned out, each a leader in its field and all of great importance to the success of the Commonwealth Air Training Plan.

There is the Fairchild Cornell, an elementary trainer; the North American Harvard, a single-engined advanced trainer; the Canadian Anson, perhaps the best twin-engined advanced trainer in the world.

Originated Suggestion Plan

Canada's aircraft industry has not hesitated to try new wrinkles where it has appeared tangible gains might result. In fact, the Canadian aircraft industry led the continent by inaugurating a plan asking workers for suggestions in May, 1942. The United States plan was announced in Washington several months afterward; and a similar plan was adopted by Canadian war industry in general on October 17, 1942. The plan has stood up under tests and taxpayers and workers have shared in benefits.

And the aircraft industry has gained by increased efficiency.

The plan has been simple and effective. Suggesting a new method of applying wing numbers paid $400 to one worker—10% of the $4,000 the idea is expected to save.

Redesign has been used to conserve valuable raw materials. The Dominion Government has also instituted "aircraft control" to prevent the introduction of unapproved modifications into design of aircraft.

Improvisation "Dividends"

A real ability to improvise has been demonstrated on more than one occasion. Some episodes are almost unbelievable. In one instance, rejected gun barrels were used in the manufacture of aircraft propellers. The gun barrel rejects were the result of machining defects which did not interfere, however, with utilization in propellers as the composition of the barrels was satisfactory.

The technical ability of Canadian aircraft plants to turn out Lancaster planes with relatively little equipment has been one of the features of aircraft production in this country. Speaking of Canada's achievements in turning out the Lancaster, Ralph P. Bell, Director-General of Aircraft Production, declared a few months ago:

"The fact of the matter is that United States experts never thought we could produce it at all. They thought we did not have the facilities to make such a big and complicated machine. Anyone who knows anything about aircraft at all, knows it was a remarkable performance."

Everything But Engines

All components of Canadian aircraft except engines have been turned out in Canada. This means employment of much personnel indirectly on aircraft production. In fact, it is estimated that perhaps 25% of Canada's war spending has been earmarked for aircraft production.

To secure a great expansion in production, a certain degree of financial assistance has been necessary for some firms in the industry, while the Government has found it desirable to undertake production of aircraft on its own through Victory Aircraft.

The project of airplane engine manufacture was investigated about 2½ years ago. At that time it was decided that $50 millions would be required to establish a plant capable of turning out perhaps 400 modern engines a month of only one model or type. It would not provide the range of engines required to power training planes, commercial planes and combat types. Canada's own program at that time required 15 or 16 types of engines.

Not An Inconvenience

Fortunately, Canadian aircraft production has not been materially inconvenienced by the fact that aircraft engines are not being made in this country.

Canada has been able to produce sufficient other war material for export to allow the importation of necessary airplane engines without resort to lend-lease.

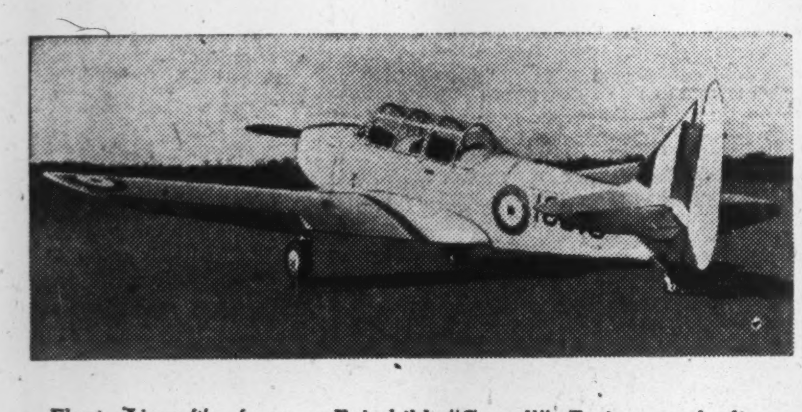
After the war, private industry may be interested in turning out aircraft engines in Canada, but for the duration it appears the industry will be satisfied with imports from the United States and the United Kingdom.

Closely related to the development of the aircraft industry has been establishment of extensive facilities for aircraft overhaul and repair. Special plants are located strategically across the Dominion to make regular engine overhauls, to take care of airframe reconditioning, and to rebuild damaged planes. These plants can recondition and replace into service better than 200 planes and 800 engines a month.

Achievements on the aircraft front have not been effected without a fair share of difficulties. Ironing out of "kinks" has been a complicated problem at times which has taxed ingenuity of both managerial and technical staffs. Executives have not always seen eye to eye and the Dominion Government has found it necessary in certain instances to appoint controllers for individual aircraft plants and for companies turning out accessory products.

But the time of greatest difficulty is now past. Untrained workers have become skilled craftsmen. Planes have been redesigned to fit in with Canadian facilities. And great strides are being made toward producing combat planes necessary to speed the Victory.

Wood-Working Skill at the Service of "FLEET"



Fleet Aircraft's famous Fairchild "Cornell" Trainer embodies many parts made by Dominion Electrohome's expert workmen including

PLYWOOD SEATS FINS STABILIZERS
COMPLETE WINGS

Our entire woodworking facilities now devoted to aircraft.

DOMINION ELECTROHOME INDUSTRIES
LIMITED
KITCHENER, ONTARIO

Peace-time manufacturers of
Dellcraft Fine Furniture — Phonola Radio Receivers —
Electrohome Fans and Airconditioners

Fleet Aircraft Limited is proud of its production record. In October 1943, the Fleet organization presented the Royal Canadian Air Force with a Cornell training plane they had made and paid for. It was the 1,000th Cornell produced by Fleet and was christened the "SPIRIT OF FLEET".

Since that time many more planes have rolled off Fleet's production lines .. many more trim Cornells, the plane that has been adopted as the standard primary trainer for Combined Training Organization of the United Nations.

Fleet's background of experience, gained in its association with the early development of aviation in Canada, enabled it, in the urgency of war, to produce needed planes quickly and efficiently. In this age of expanding aeronautical activities . . . today for war, tomorrow for peace . . . the plane in which our pilots learn to fly is of vital importance. The Cornell has proved its worth through fine performance and flying qualities that inspire the confidence of pupils and instructors alike.

Today, as in the past, Fleet Aircraft, Limited maintains its traditional high standard of production. Tomorrow Fleet Aircraft is ready to serve aviation in the post-war world.

FLEET Aircraft LIMITED
FORT ERIE-ONTARIO

Dilemma of the 'Plane Builders

Resources Are Great, But Over-capacity is Serious Threat

Highly individualized, the firms which make up Canada's aircraft industry will probably find individual solutions to the problems that will arise at the end of the war. Chief problem is a tremendous increase in the capacity to produce, with little promise that normal demand for aircraft will be sufficiently increased to make serious use of that capacity. On the other hand, the industry is youthful, energetic, has larger financial reserves than ever before, a setting loaded with dynamic possibilities.

One of the biggest, if not the biggest postwar industrial problem in Canada will be what to do about the aircraft industry.

Now employing over 100,000 workers, aircraft production in Canada is, on an employee basis, about 100 times as large an industry as it was in 1938. Its production of over 8,000 complete aircraft in the first four years of war is about 16 times as great as in the four years ending with 1938.

But while aircraft in reasonable quantities are an established peacetime transport medium, fast aircraft in the thousands are — thus far—as much a weapon of war as a flame-thrower.

Certainly there will be a great expansion in aviation after the war. Certainly Canada will be one of the major participants in that increase. But the increase would have to be of fantastic proportions before it would absorb Canada's increased productive capacity, let alone that of the world. The probability is that for some time after the war, Canada's aircraft needs will again be numbered in hundreds instead of thousands.

Prophets of Doom

The parallel situation in the United States has led the head of Douglas Aircraft to sum up postwar plans for the aviation industry in the words "you shut the damn shop up." Others of similar pessimistic turn suggest that the most valuable thing the aviation industry will have to sell after the war is its floor space.

Between these despondent views and the unbounded optimism of "imagineers," the truth will probably be discovered.

For example, one Canadian manufacturing concern is reported to have drawn up complete plans for entry into the production and merchandising of 5-passenger "air taxis." It is recognized that some of the best customers for planes will be returned fliers, that they will need some financial aid if they are to be able to purchase aircraft. The company plans to provide these aviators with planes on a rental basis, the fliers would enter into a commercial air jitney business, paying their plane rent out of the profits and ultimately buying the plane.

Success of plans of this type will pivot on the state of the postwar national income, since air travel is still regarded as a luxury and is not likely to thrive in a depression.

Easier for Subs

The many subcontractors that surround the industry will most probably revert to normal peacetime production, in most cases with relatively little difficulty, and adapting their aircraft equipment to new peacetime lines.

Makers of molded plywood fuselages and wings, for example, will be able to use the same techniques and equipment in building furniture, boats and canoes.

Makers of plexiglass "bubbles" for aircraft will be able to use their materials in ornaments, certain types of furniture, but not, in all probability, as window glass or automobile roofs because of its lack of resistance to abrasion.

Makers of laminated wood propellers for training craft have a tremendously wide field in structural and other wood using trades, in addition to a possible continued market in aircraft.

There is a strong possibility that postwar trends in living and working will open wide markets to the makers of instruments entirely aside from a continuing demand from aircraft builders.

But when you approach the hard core of the aviation industry, the firms that built or assembled finished aircraft in 1939 and are still doing it, the problems of transition, even of survival, become well-nigh overwhelming.

There are ten companies in this group, each with highly individualized characteristics. So strong are these differentiations that it is highly improbable that there will be any consistent "pattern" to the industry's transition from war to peace. Each company will probably answer its own question in its own way.

Enigma No. 1 in the industry is undoubtedly the Victory Aircraft plant at Malton, Ont. Now owned and operated by the Government for the production of Lancaster bombers and the cargo version of the Lancaster, the plant was taken over from National Steel Car Corp. on Nov. 5, 1942. With floor space of some 750,000 sq. ft., the plant is one of the largest in the industry.

The possibility that Victory Aircraft will be operated by this government or by the next government after the war, and if so, on what basis, is one of the nagging uncertainties of the aircraft industry outlook.

The Hon. C. D. Howe, under whose dominion the company now operates, has repeatedly stressed his faith and preference for private enterprise, but Mr. Howe can at best speak for the present government only, and may not be doing the talking when the fate of Victory Aircraft is decided. It is obvious that if this plant should be run on a subsidized basis by the government, the problems of the independent firms would be acute.

The Mosquito Makers

Also under the government wing for the time being is the de Havilland Aircraft of Canada, Ltd., which has been managed by J. Grant Glassco since last June for the Department of Munitions & Supply.

Output of this plant is now confined to the speedy Mosquito twin-engined craft which can be used for reconnaissance, day or night fighter, or bomber. Recently, Peter G. Masefield, technical editor of "The Aeroplane," London, gave the Mosquito a rating of 93.2% as a reconnaissance-bomber, 95.2% as a night intruder fighter, and 91.6% as a bomber-destroyer. In this article, which dealt with all the major types of war aircraft, Mr. Masefield did not rate any other plane on more than two categories, and no other was able to better the 90% mark on more than one count.

Having clearly established itself as perhaps the best multi-purpose plane of the war, the Mosquito's radically new plywood design holds considerable promise as a forerunner of peacetime designing.

The experience of producing the Mosquito, a long background of pre-war experience principally in light planes, a connection with de Havilland of England and its subsidiaries throughout the Empire, will help establish the individual postwar pattern for de Havilland of Canada. There is a possibility that the various units of the de Havilland family will each be given specialized jobs after the war, each getting one or two planes to produce for the world market.

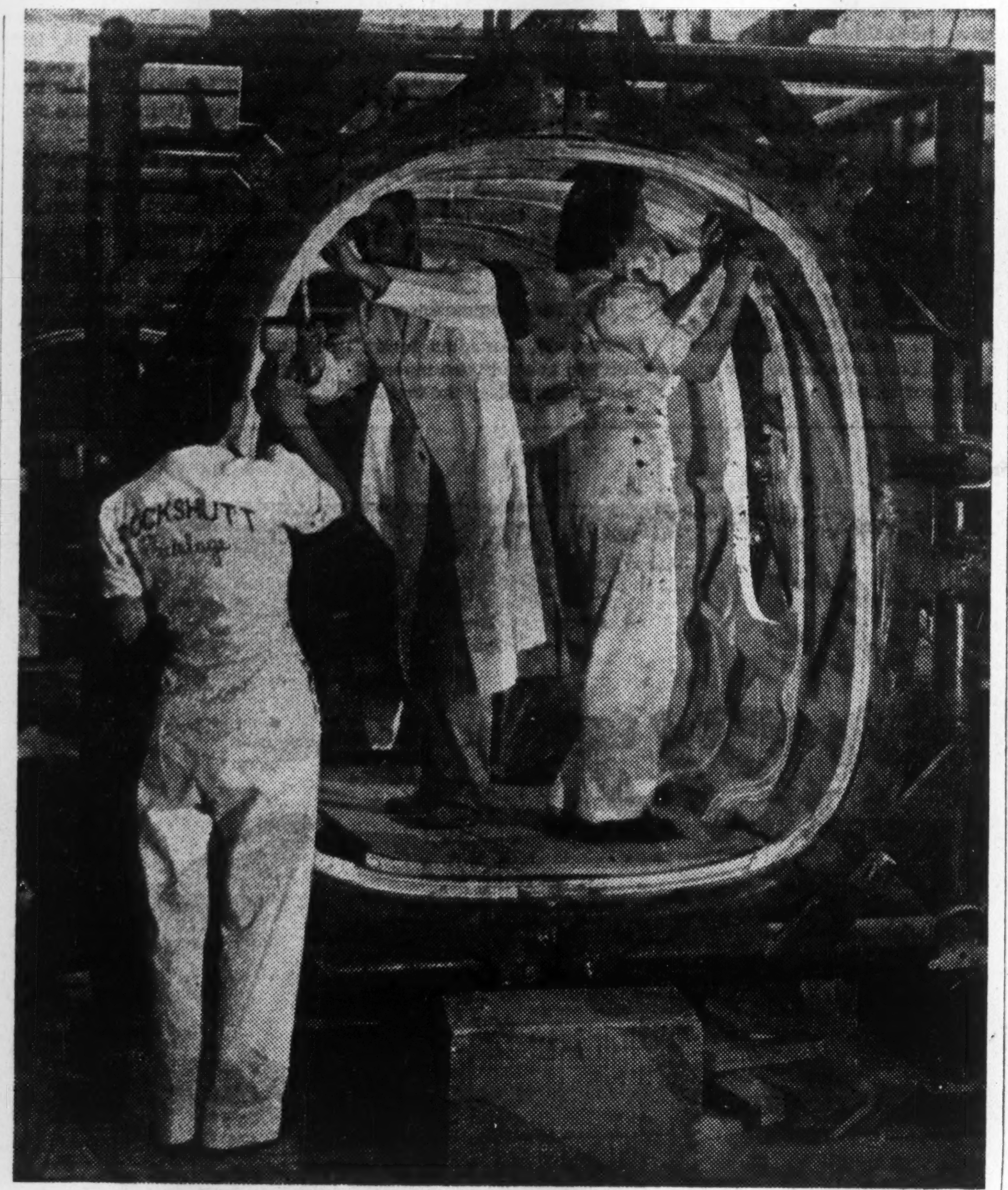
In the Canadian industry are three companies whose aircraft production is accompanied by other war and peace production—Canadian Car & Foundry, Canadian Vickers and Ottawa Car & Aircraft.

The transition problem for this group will probably be less acute than for the remainder of the industry. Canadian Car's production of rolling stock, Canadian Vickers' shipbuilding and repairs, and its production of structural steel and machinery, and Ottawa Car's production for transit companies should help to cushion recessions in the aircraft industry. Markets for the normal production of all three companies have developed tremendous backlogs during the war and should guarantee good earnings for a few years at least.

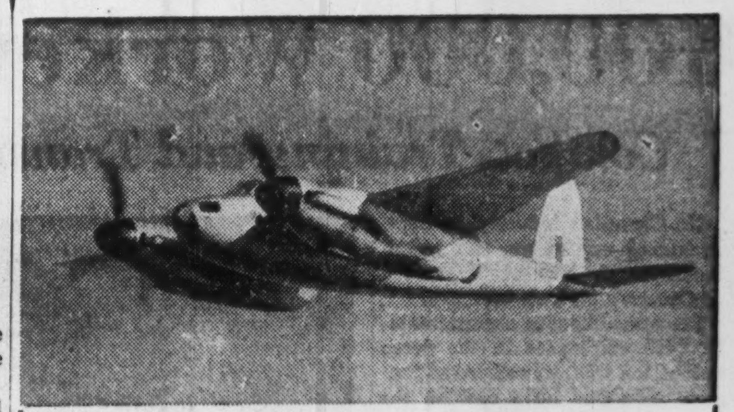
In addition, these three companies have long been associated with the aircraft industry. Canadian Car takes credit for being the only Canadian firm to design and build its own pursuit plane and aircraft engine. Vickers "Stranraer" machines have for years been leaders in north country fire patrol and other work. Ottawa Car holds manufacturing and selling rights to the A. V. Roe-designed planes. Roe's best-known planes in Canada are the Avro-Anson and the Lancaster.

The remaining five Canadian aircraft companies are "purely aircraft." They are not under government management and have no other business of major importance. Four of them have stock in the hands of the public. Boeing Aircraft of Canada is a subsidiary of the American firm whose best-known planes are the Flying Fortress and the Clipper

(Continued on page 22)



Although only a fraction of an inch in thickness, moulded plywood is now used extensively in building both combat and training planes. After the war a great many peacetime uses for this product are planned.



THE MOSQUITO

TO UNTOLD HEIGHTS

AN EVER increasing ceiling for modern warplanes has made great demands on manufacturers to produce materials capable of withstanding the extreme temperatures encountered at such tremendous heights.

We are proud of our part in supplying self-sealing materials for fuel and oil tanks, also flexible and rigid hose. We have also supplied window and dinghy stowage mountings, gaskets, door-seals and sealing strips, etc., etc., for most of the modern aircraft being produced in Canada.

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TCA Affirms Postwar Status

Groundwork Now Being Laid, Says Symington, Traffic Gains in 1943

From Our Own Correspondent

MONTREAL.—Trans-Canada Air Lines is laying foundations for Canada's aviation future, according to a statement released by President H. J. Symington, who emphasizes that "Trans-Canada has been designated as the instrument of the Canadian Government in international air transport in addition to being given the responsibility of operating all main line systems in Canada."

Along these lines, Mr. Symington reports that though not on a commercial basis, nor as part of its regular operations, TCA actually began flying the Atlantic this past summer in a special Government wartime service. Passengers on urgent war business and tons of important cargoes and mail for the troops overseas have been carried in this service.

In the domestic field, TCA made only one route extension last year, the short one between Vancouver and Victoria.

At present TCA has routes totalling 4,903 miles, extending from St. John's, Nfld., to Victoria, between Toronto and New York, between Toronto, London and Windsor, and between Lethbridge and Calgary and Edmonton.

Heavy Gain in 1943

During the past year, TCA aircraft flew 8,187,000 revenue miles, an increase of 1,014,870 over 1942. Volume of traffic also showed a considerable increase. Passengers numbered 141,000, an increase of 36,554. Mail amounted to 3.9 million lb., an increase of 1.6 million lb. Express weighed 840,000 lb., an increase of 477,163 lb. This was more than double the amount carried in 1942.

At its engineering and maintenance base at Winnipeg, Mr. Symington reports, Trans-Canada carried on research and accomplished a considerable volume of overhaul work for military aircraft. At Montreal, it continued its co-operation with the British Overseas Airways Corp. in the maintenance of aircraft in the transatlantic return ferry service.

From 40 to 4,000 Planes a Year

That's Canada's Production Record in the War

From production of less than 40 aircraft a year to an annual output of about 4,000 including the world's largest bombers; that is the record of the Canadian aircraft industry since the outbreak of war, four and a half years ago, an expansion of about 100 times.

This growth has been accompanied by an increase in the number of employees from 1,000 to well over 100,000 and in factory space used from 500,000 sq. ft. to about seven million. These figures, moreover, refer to the aircraft companies only, huge subcontractors, like the farm implement and scores of other companies now engaged heavily on aircraft contracts, are not included.

Because of a slow start most of this growth has taken place in the last 21 months, production in the first two years being held up by changes in models to meet changes in the pattern of the war and to give effect to new devices and methods of construction developed.

In the years immediately preceding the declaration of war, in September 1939, developments in the aircraft industry so far as actual output was concerned, were relatively insignificant.

In the first great war, Canada produced 2,900 planes, a very noteworthy accomplishment for those days. This country also provided 12,902 men for the Royal Air Force and the Fleet Air Arm, or close to 25% of the flying personnel of these forces.

But in the years immediately following the Armistice, many wartime fliers gave up their joysticks with their uniform and the aircraft industry itself became almost non-existent.

Checking the pitch of the constant-speed propeller, a mechanical work of art that requires intricate precision work of the highest quality. It is called "the constant-speed propeller" because its blades are altered automatically in flight, harnessing the full power of the plane's engines, and maintaining a constant number of revolutions. Airplane engines thus equipped, can develop as much of their rated power as the pilot wishes, whether taking off, climbing, flying level, or descending. Constant-speed aluminum propellers are now produced in a modern new Canadian war plant.

Although slow in starting, Canada's production of aircraft for war purposes is now operating at a high level. Production in pre-war years is estimated at about 40 a year. Current rate of production is estimated at between 300 and 400 a month including manufacture of the world's largest four-engined Lancaster bombers and the lightning-fast Mosquito. All parts are constructed in Canada except the engines. Growth of the aircraft industry since the previous war is sketched in the accompanying article.

Mining Explorers

In the later 20's however, owing largely to the enthusiasm of mining pioneers for the airplane as a means of distant prospecting, flying received considerable impetus. Accordingly, aviation as a profession and the aircraft industry generally began to get their second wind. Both began to make a good comeback but even by 1929 there were only 349 licensed pilots in the whole Dominion.

Further impetus was received when the discovery of new minefields in far off parts of the pre-Cambrian shield was followed by their development. Tremendous quantities of supplies and equipment were taken in by air with the result that aircraft came to be regarded as a stable means of transport. But even with Canada attaining a leading place in air-freight traffic of the world, the number of licensed pilots by 1939 had increased only to 357. Aircraft production likewise showed only a moderate expansion, the total output between the two wars being only 981 machines.

In the later 30's however, when rumors of war began to disturb the world, the Canadian authorities, realizing the important part that aircraft would play in any war which might develop, began to prepare. One of the first steps was the formation of a Government company known as Canadian Associated Aircraft Ltd. This company was to be the link between the Government and a number of private civilian companies equipped to manufacture airplanes and through it, contracts for the various parts necessary in airplane production were to be farmed out.

The actual declaration of war made airplane production a matter of urgent Government concern.

At first the system followed was to place orders for required aircraft through Canadian Associated Aircraft. But as time went on, this was changed. In the earlier months of the war one of the main jobs of CAA was to arrange for production of Lysander co-operation planes. But after the British army was withdrawn from the continent demand for Lysanders dried up. Finally Associated Aircraft was wound up. Formation of the Department of Munitions and Supply found this body charged with the placing of contracts. The present system is for the RCAF and the RAF to notify the Department of Munitions and Supply of its requirements as regards planes. The Department then places orders with the various Government companies that have come into being or private companies. Government companies which have come into existence include Federal Aircraft and Victory Aircraft, etc.

From the beginning of the war, there have been many changes in the lines of production followed.

Effect Of BCATP

Most powerful factor affecting the business in Canada was the British Commonwealth Air Training Plan. This plan required great numbers of training planes and when it came into operation early in the war, attention was largely centred on production of those types. But, as the war continued, to these types of trainer planes have been added service planes for the defense of Canada and, more recently, first line combat planes for use of both Great Britain and the United States.

In the first years of the war production was often held up by changes in plans and models. Efforts were made to correct weaknesses that developed. But as months passed and specifications and requirements became more stabilized it was possible to increase the rate of production. It is now estimated that production is at the rate of between 300 and 400 a month, output this year being unofficially estimated at approximately 4,000 or about half the total production since the war began.

During the four and a half years of the war, production of certain types of planes has been discontinued as demand for them was discontinued and several new ones have been added. For example, as indicated above production of the Lysander, co-operation plane was discontinued early in the war while construction of the later types of combat plane such as the Lancaster and Mosquito Bombers have been added.

Production is now concentrated on eight types of planes — four combat, three trainers and one transport. These are: Combat—Lancaster, Mosquito, Helldiver (theCurtiss Navy Dive Bomber), and Catalina; Trainers—Anson, Cornell, Harvard; Transport—Norseman.

The Cornell is an elementary single-engined trainer made by Fleet Aircraft, at Fort Erie. The North American Harvard, also single-engined, is an advanced trainer made by Noorduyn Aircraft of Montreal. The Canadian Anson, twin-engined advanced trainer, is turned out by the firms MacDonald Bros, Winnipeg, Federal Aircraft, Montreal and Canadian Car of Amherst, N.S.

The combat planes being produced are as follows.

Catalina Flying Boat

The PBY-5 Catalina Flying Boat is essentially a patrol craft and is valued for patrolling of Canada's coastal areas. It costs close to $250,000 and comprises more than 100,000 parts. It requires more than 100,000 man-hours to produce. Weight of this craft is 14 tons and its hull is as long as a Pullman coach.

Its wing span is equivalent to 10 automobiles lined up end to end. Holding the record for the greatest range of any twin-engined bomber in the world, the PBY-5 Catalina Flying Boat is powered by Twin-Wasp 1,200 h.p. engines and constant-speed propellers. It has gun pits in the nose and in the rear fuselage and is provided with bomb or aerial torpedo installation. It is built by Boeing of Vancouver and Vickers of Montreal.

Avro Lancaster

Possibly the most publicized and glamorous of the combat planes turned out in Canada is the Avro Lancaster which is described as the world's largest and fastest four-engined bomber. This plane has a speed of about 300 miles per hour and a range of approximately 3,000 miles. It is fitted to carry a bomb load of eight tons and ten Browning Aircraft machine guns mounted in four power-driven turrets. It is powered with four Rolls-Royce Merlin engines and is 69 ft. long with an over-all weight of 30 tons. The first of these Canadian-built Lancasters was produced last summer and it is understood they are now coming off the production line at Victory Aircraft, Malton, in fair volume.

Curtiss Dive Bomber

The Curtiss Navy Dive Bomber is being manufactured under a contract calling for more than 1,000 planes awarded in January, 1942. The expenditure involved in manufacture is $60 millions. This plane is stated to be the latest and best of the dive bombers. Fairchild of Montreal and Canadian Car of Fort William are building it.

Mosquito

Another Canadian-built plane which has achieved great distinction in bombing operations over Germany is the Mosquito, now being manufactured in substantial numbers by de Havilland of Toronto. This plane has a wing span of more than 54 ft. and a length of over 40 ft. It is powered by two Rolls-Royce Packard engines. It is made almost entirely of wood and is recognized as the world's fastest bomber. It has an exceptionally long range and is extremely manoeuvrable and can be utilized on day or night operations. Because of its great speed it can also serve as a reconnaissance craft.

Norseman

The Norseman, famous transport plane is the only wholly Canadian-designed aircraft in the list. Regarded as easily the greatest and most adaptable single-engined transport in the world is equally efficient and manoeuvrable on wheels, skis or floats. It is turned out by Noorduyn of Montreal.

These are entirely built in Canada and most of the parts are made here except the engines. All of the latter are imported.

Of the 117,000 workers in the aircraft industry today it is estimated that more than 25% of them are women. Orders ahead it is estimated have a total value of about $1 billion.

Workers "building up" plywood over a special mould or form. Three or more strips of wood are glued and moulded together under heat and pressure to form walls of body and wings.

Plane Types Canada Makes

The complete tabulation of airplane types produced in Canada until the middle of 1943 is reproduced in the following table. Output since then has been restricted to eight types.

Elementary Trainers	
Tiger Moths	1,384
Menascoe Moths	10
Wireless Moths	126
Cornell Trainers	409
Fleet—16's	431
Total	2,360
Advanced Trainers	
Harvards	1,059
Norsemen	51
Fleet—60's	101
Bolingbrokes	367
Ansons	1,850
Lysanders	150
Total	3,578
Service Aircraft	
Sharks	15
Grummann	15
Stranraers	32
Deltas	8
Lysanders	75
Norsemen	69
Bolingbrokes	169
Catalinas	63
Hurricanes	1451
Hampdens	160
Mosquitoes	19
Total	2,056

WRIGHT POWERS THE TONNAGE OF THE AIR

An aircraft engine supercharger is not a mysterious device; it is simply an air pump. By compressing more air into a cylinder, more fuel may be burned during each power stroke—which in turn means greater output. At sea level or altitude, whether turbo or gear driven, a supercharger's sole purpose is to increase engine horsepower.

Although it takes power to pump air with a supercharger, the result is a dividend of free horsepower far exceeding the investment. Flight at high altitude is impossible unless the rarefied air is first compressed, while in a Cyclone 9 at take-off, 100 HP spent to drive the supercharger rewards the engine with 500 additional horsepower at the crankshaft.

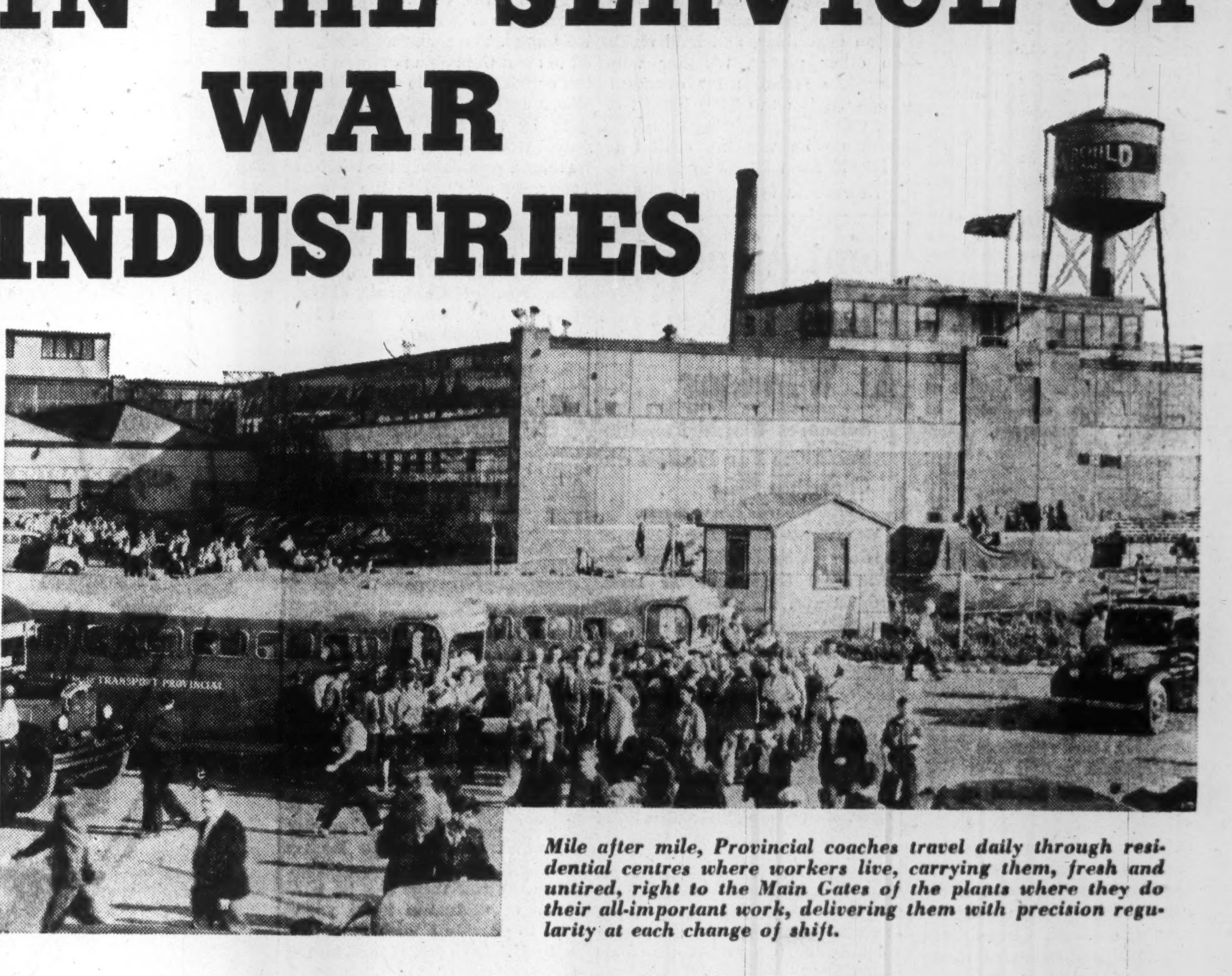
* * *

Superchargers, like Cyclones, pay their way.

A supercharger supplies combustion air at greater density, permitting increased engine power.

Cyclones and Whirlwinds · Light · Compact · Powerful WRIGHT Aircraft Engines
IN CANADA — CANADIAN WRIGHT LIMITED

IN THE SERVICE OF WAR INDUSTRIES



Mile after mile, Provincial coaches travel daily through residential centres where workers live, carrying them, fresh and untired, right to the Main Gates of the plants where they do their all-important work, delivering them with precision regularity at each change of shift.

The flexibility of Provincial Transport service made it an instant and valuable asset to the war industries of Canada, for most of them — including large aircraft plants — were established some distance from existing means of transportation. Only motorcoach service could provide facilities of the size required, at short notice.

Employment problems have been lessened by Provincial motorcoach transportation; fatigue reduced; time consumed in travel shortened; and emergencies swiftly met. Split shifts can be run, and overtime workers transported readily with the aid of Provincial coaches. It is a privilege to be associated with so much of Canada's war work.

PROVINCIAL TRANSPORT COMPANY

1188 DORCHESTER STREET WEST (AT DRUMMOND), MONTREAL

DSO's of Air Industry Save Nation $100,000

Bright Ideas Which Won Director-General's Merit Award Run From Bombing Circuits to Easy Ways to Take Tires Off Planes

Some 25 workers have won "the DSO of the aircraft industry"—the Director-General's merit award—for their bright ideas which speed production and victory.

These men alone have already saved the nation $100,000 directly, with incalculable savings promised. Theirs are the brightest of the many production-saving projects revealed from the first year's official operation of the employee suggestion plan in the aircraft industry nationally.

Total savings of all these practical ideas, including the top 25, already amounted to $236,904. This is an increase of $22,210 over the $214,694 saving accounted for recently when the first announcement of the success of the suggestion plan was made.

William Walton Fish, Canadian Pacific Air Lines, New Westminster, B.C., devised a new way to test electric bombing circuits. His invention, costing little, can be operated by an apprentice.

Howard M. Heard, 32, Aircraft Repair Ltd., Edmonton, proposed making a small panel in the casing of Oxford-type aircraft which gives ready access for adjusting main hydraulic pressures. Estimated saving runs into hundreds of dollars on Oxford production and saves hours of time.

Kenneth W. Smith, 35, London, Ont., of Fleet Aircraft, Fort Erie, thought up a way to do a job in one minute which previously took 30. Annual net saving in money on this job is $5,600.

Herbert S. Hubbard, 39, devised a foot-operated vise for riveting operations. What used to take 14 minutes for two men now takes 1½ minutes for one man.

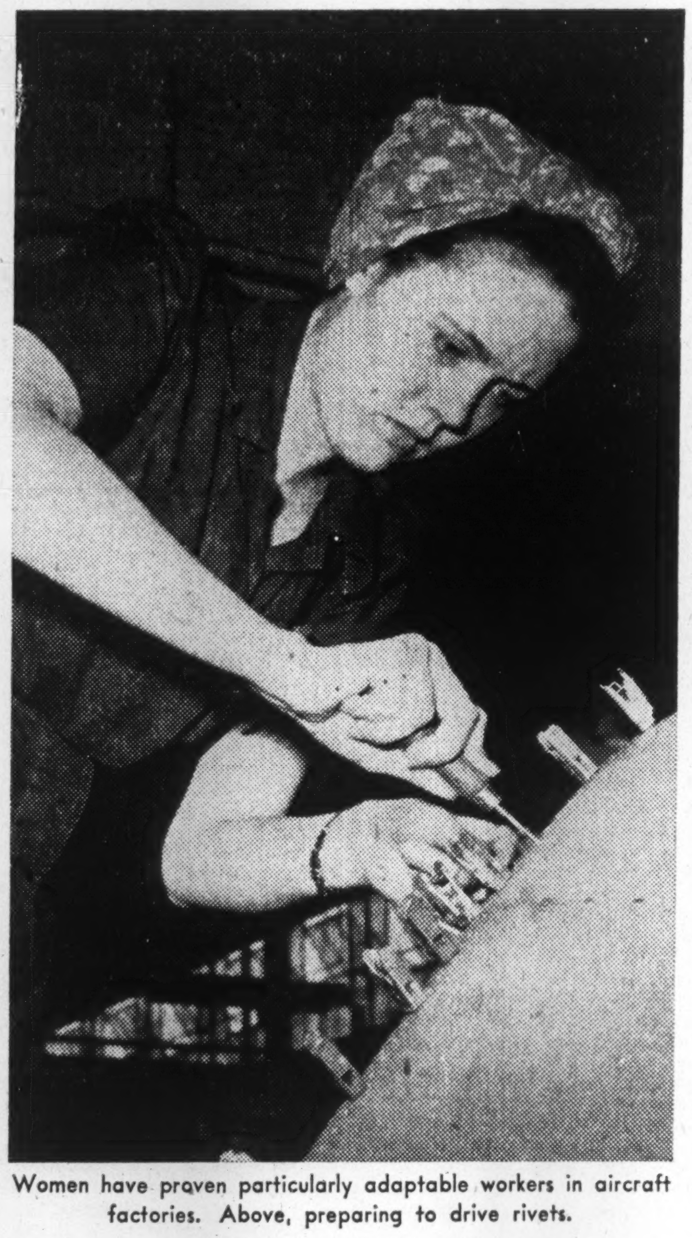
Everton Holmes, Stratford, Ont., formerly with International Nickel at Copper Cliff, now with Fleet Aircraft at Fort Erie, thought up a way to save de-greasing fluid as well as reducing the handling time to one third.

William Mollison, Victory Aircraft, Toronto, takes the crown for four ideas.

Bruce Glassford, at de Havilland, made a special set of tools with which to remove tires and tubes from aircraft wheels with simplicity.

Boeing Aircraft, Vancouver, supplied five honor men, while leading thinker-upper at Noorduyn Aviation in Montreal is E. W. Feeney, who had no less than 11 suggestions accepted. He invented jig after jig to simplify and expedite jobs. There were four other Noorduyn winners.

A. Buchanan of the M.&C. overhaul plant of Prince Albert, Sask., gets credit for invention of a tire remover that takes 'em off planes in a jiffy.


Women have proven particularly adaptable workers in aircraft factories. Above, preparing to drive rivets.

SAFWAY STEEL SCAFFOLD

FOR AIRCRAFT CONSTRUCTION AND MAINTENANCE

In the construction of aircraft and in maintenance work of operational craft, SAFWAY PORTABLE STEEL SCAFFOLD provides a solid working platform and a speedy and safe method of reaching and working on the normally inaccessible parts, saving time and money.

SAFWAY is most flexible in use, and is adjustable to various heights and for propeller clearance. It is light in weight, yet possesses great strength. The heavy caster wheels are equipped with brakes.

Adequate stocks are available for immediate shipment. Inquiries invited.

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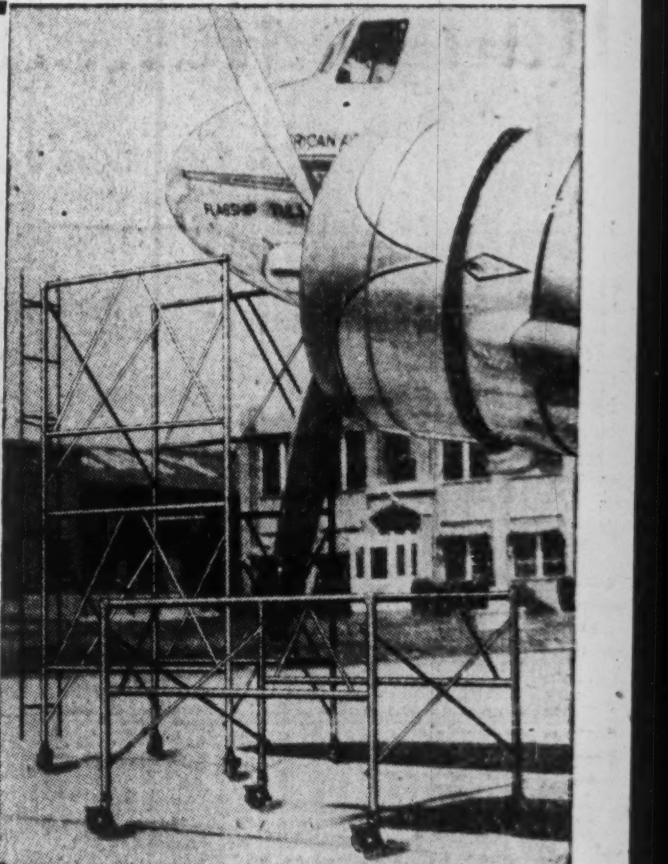
Branch Offices at Toronto and Montreal.



Use Gum to Plug Hole In Hydraulic Line

Chewing gum was used to perform an emergency operation on "Old Ironsides," a Martin B-26 Marauder, during a recent mission over Italy. The bomber was hit by flak which tore a hole in the hydraulic line in the radio compartment, says The Martin Star.

The crew began to chew gum like mad, pooled their efforts and plugged the hole. Band-aid was then applied over the gum and gauze bandage used to wrap up the works. The operation was so successful that there was enough pressure to lower the landing gear and make a perfect landing.

In the first year of war Canadian airmen flew a total of 14,300 hours on convoy patrol. By 1942 they had increased their hours aloft to 94,450. In 1943 they expect to double that figure.

Inter-City Air Seeks Permit

From Our Own Correspondent

MONTREAL.—Newly-formed Inter-City Airlines Co., in which Provincial Transport Co. has an interest, has applied to Ottawa for a license to operate helicopter planes on a passenger and express service in the St. Lawrence River valley.

According to R. Tremblay, vice-president of the company, the application is for rights to link intermediate points between Cornwall, Lake Tremblant, Grand'Mere, Quebec City, Thetford Mines and Sherbrooke.

It is planned to set up a central terminal in Montreal, at an as yet unselected site. Further it is stated that some of the municipalities interested have already approved the proposed air service.

Executive officials of the new company have been appointed. H. J. Curtis is president; R. G. Perry, general manager, and R. Tremblay, vice-president and treasurer. All three men are officials of Provincial Transport Co.

Some Chicken! Some NECK!!

. . . some joint!!!

Thirteen years ago, the first sheet of a new English product on the Canadian market left our premises to find a better home in a transformer. The manufacturers said it would resist oil and spirits and we took their word for it.

Since then, many a troublesome joint has disappeared and LANGITE, the patented oil-resisting cork sheet with the specially shrunk, cotton lamination to provide extra tensile strength, replaced gasket after gasket and oil leakage, one of the vital problems confronting engineers generally in Canada, literally died a natural death.

And speaking of death and destruction . . . Britain was rated as unprepared in 1939, but, a year or so before that, British engineers had produced a special grade of LANGITE AERO, to Spec. 219A and this aero grade proved itself in the Battle of Britain. The designers of Spitfires, Lancasters, Mosquitoes, Avro Anson, Hawker Hurricanes, Bolingbrokes, Hampdens and other British planes know Langite as standard equipment, specified on their respective blueprints.

Regardless of where future planes may be designed or built, in view of these facts, the engineer specifying Langite or substituting Langite upholds a worthy tradition and protects himself against doubts and worries with one stroke of the pen.

Talking about manufacturing! The school of hard knocks has produced a dynamic organization unafraid and ambitious. Consequently, our production of many items previously imported into Canada have been made on the spot, in record time, without interference . . . and we love it!

F. ROY HEDGES & CO. REG'D
318 Castle Bldg., Montreal

LANGITE *Cork* HALLITE *Asbestos*
REDEX *Oil Activator*

Sheets, Strips, Gaskets and Washers

Dilemma is Facing Aircraft Builders

(Continued from page 20)

ships. But its Vancouver plant is currently turning out Catalinas and in the past has produced British "Blackburn" models.

Cub Aircraft Corp. of Hamilton, Ont., is a pioneer of the light, low cost monoplane that has done good work in wartime reconnaissance and experienced a steadily civilian growing demand before the war. In addition to manufacturing and assembling civilian and trainer aircraft, Cub operates a training school at Hamilton.

Now turning out the Curtiss "Helldiver" dive-bomber, Fairchild Aircraft Ltd. recently completed its contract for Bristol "Bolingbrokes." The company has expanded its capacity to over 600,000 sq. ft. of floor space. Before the war, Fairchild turned out planes specially adapted to Canadian conditions, and held rights on other planes, together with complete facilities for overhaul. Today it is one of the largest of the Canadian producing units, has built up its working capital to $445,275 from $7,062 in 1940.

Now about to begin production of a combat plane, Fleet Aircraft Ltd. of Fort Erie, Ont., has recently devoted its entire production to the Fairchild "Cornell" training plane, previously having produced various models of primary and advanced Fleet trainers. The Fleet models are produced under license from Consolidated Aircraft, designers of the "Liberator" and the "Catalina." Fleet's contract with Consolidated gives it the manufacturing and selling rights for the British Empire on all Consolidated models.

The only Canadian-designed plane being built in Canada today is the Noorduyn "Norseman" which was given top rating in Peter Masefield's recent listing as a short range single engine transport. Large orders have been placed by the U. S. Army with Noorduyn's Montreal plant for Norsemen. The plane was designed to meet Canadian northern flying conditions and is adaptable to skis, floats or wheels, is widely used by the RCMP in northern patrol work, and by the RCAF as a trainer, particularly for wireless crews. In addition to the Norseman, Noorduyn has turned out large numbers of Harvard advanced training planes under license from North American Aviation Inc. of California. Floor space of the Noorduyn plant has grown to 750,000 sq. ft.

Dynamic Possibilities

The brief picture of the Canadian aircraft industry presented above should make clear the salient point that the component firms are perhaps more highly individualized than any similar industrial group. There will consequently be little likelihood of one postwar solution applying to all members of the industry. Some may find their postwar work lies in reproducing American models for the Empire market, others will rely on their own or British engineering talent, while still others may shift their emphasis to other lines, either those that had been established before the war or new ones yet to be announced.

There is no industry with greater uncertainties or greater dynamic possibilities. Its leaders are for the most part young men. After the war there will be hundreds of thousands more young men to provide a nucleus market and missionary force for wider use of aircraft. Most of the aircraft companies have accumulated larger financial reserves. The entire setting is one that should produce startling results, but it will tax the ingenuity of the industry to get them.

Joint Airport Plans Talked At Windsor

Schemes Would Provide Facilities For Detroit on Canadian Side

From Our Own Correspondent

WINDSOR.—Strategic position of this city on anticipated postwar international commercial air lanes, coupled with the pressing need for increased airport accommodation in Detroit has produced two proposals calling for investment of approximately $15 millions each, and may produce others.

Because of the absence of suitable land near Detroit, and the availability of inexpensive land in Essex County, on the Canadian side of the river, there are indications that Windsor may benefit to a considerable degree.

Even today, many American air line passengers choose to deplane at Windsor airport and travel to Detroit by automobile via the tunnel, making the trip in less time than from Detroit airport to downtown Detroit.

Two Proposals

Two major proposals to provide a solution for Detroit's airport situation have developed. On the one hand, a public development has the attention of both Detroit and Windsor Chambers of Commerce and calls for joint co-operation of the governments of the United States and Canada in the establishment of an international airport.

Proposed site of the airport would be 25 square miles of land immediately south of Ambassador Bridge on the Canadian side. Allan V. Brett, Detroit consulting engineer, says it is "made to order."

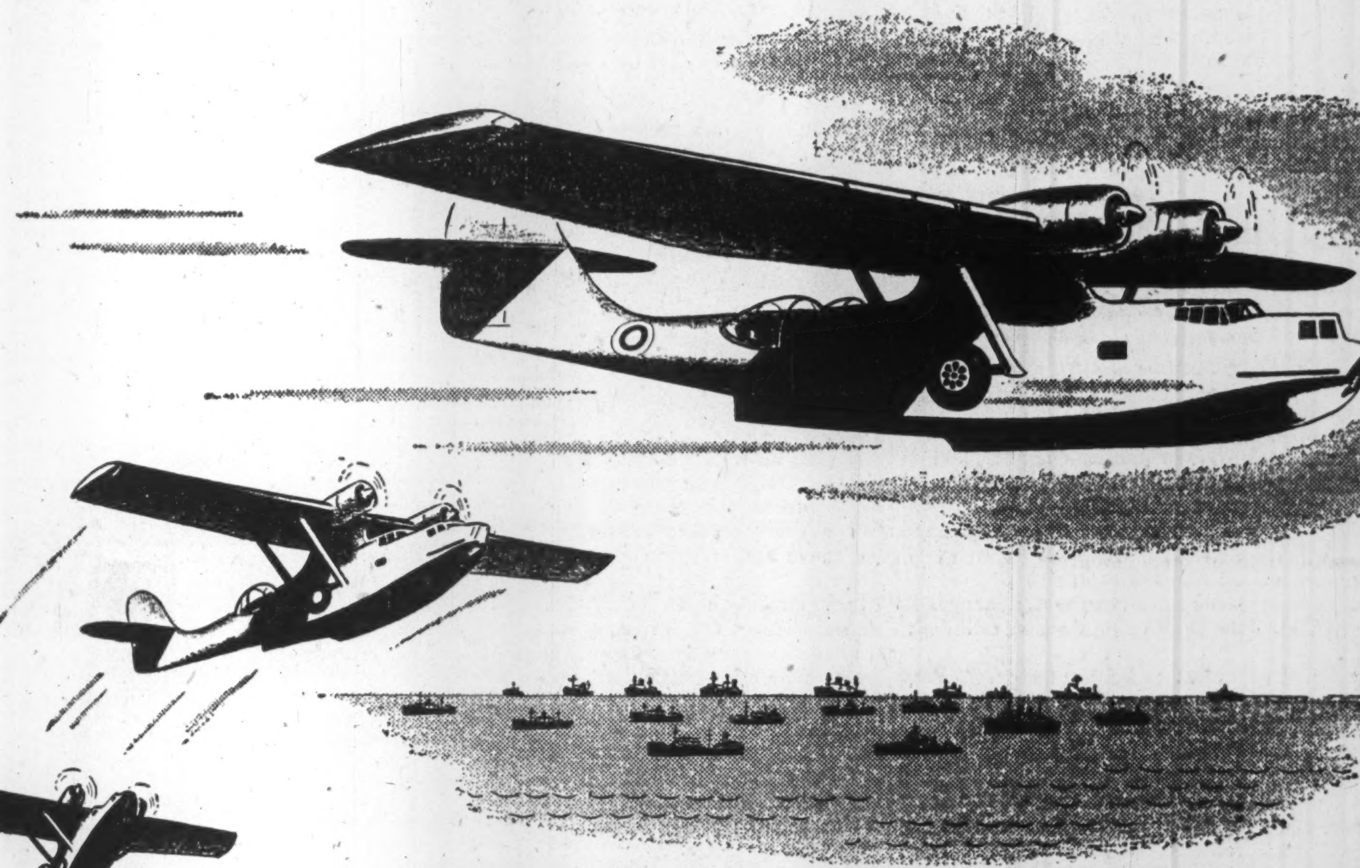
The plan would call for establishment of a "free port" by which Detroit and Windsor bound passengers would be transported directly to national terminals with a minimum of border red-tape. It would call for the establishment of a joint operating commission established by the United States and Canadian governments.

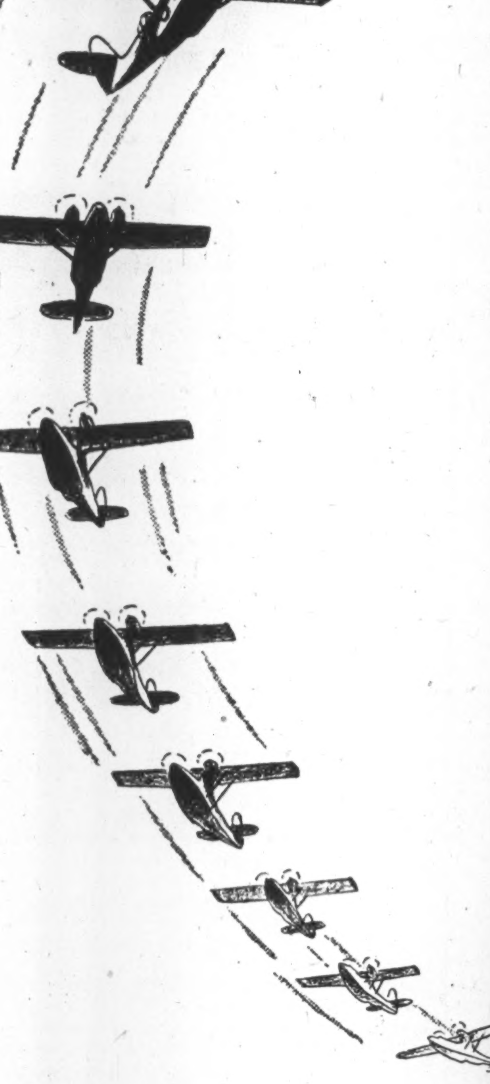
Amer. Airlines Express Now Serves Mexico

Announcement by American Airlines that it will now accept shipments to 41 cities in 21 states in Mexico, marks a further step in the development of transportation between Mexico, the United States and Canada.

Shipments will be routed through the two gateway cities on American Airlines routes, Monterrey and Mexico. If the shipper does not specify how he wishes his shipment to proceed beyond these two cities to its destination, American Airlines will route it by the most effective form of transportation. This may be by rail, air or motor carrier.

WORKING FOR VICTORY AT VICKERS!





AIR COVER

PBY "CATALINA" AMPHIBIAN BOMBERS BUILT BY VICKERS are playing a big part in the "Atlantic Sky Patrol" that now extends from shore-to-shore . . . smashing the U-Boat wolf packs—Hitler's main hope. Today, U-Boats are being destroyed faster than Germany can build them.

Our Atlantic convoys of men and materials are getting through, thanks to greater AIR COVER, supplementing the dogged vigilance of our navy.

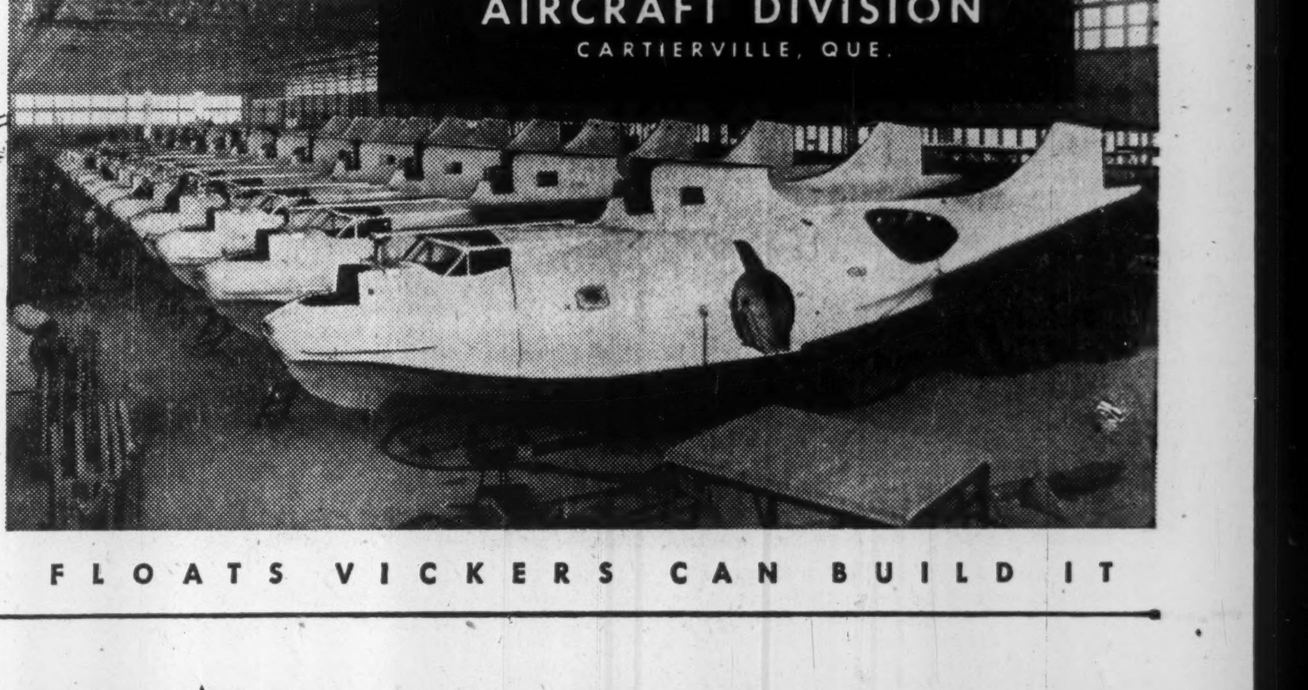
In this great victory over the U-Boat, Canadian Vickers take pride in the ever-increasing number of these giant bombers that they have built and are building.

Other vital Vickers contributions to victory include fighting Frigates, great Cargo Vessels, Marine Engines and Boilers and Vickers-Keeler Boilers for industrial plants—convincing evidence of the capacity and diversity of Vickers' facilities.

POST-WAR PLANNING

To executives planning for a quick return to peace-time operation, the engineering, designing and production facilities of Canadian Vickers can be of practical assistance.

CANADIAN VICKERS LIMITED
HEAD OFFICE—MONTREAL
AIRCRAFT DIVISION
CARTIERVILLE, QUE.


SHOWING a number of PBY's on the assembly line at the huge Vickers Aircraft Plant . . . one of the finest equipped plants on the continent.

IF IT FLIES OR FLOATS VICKERS CAN BUILD IT

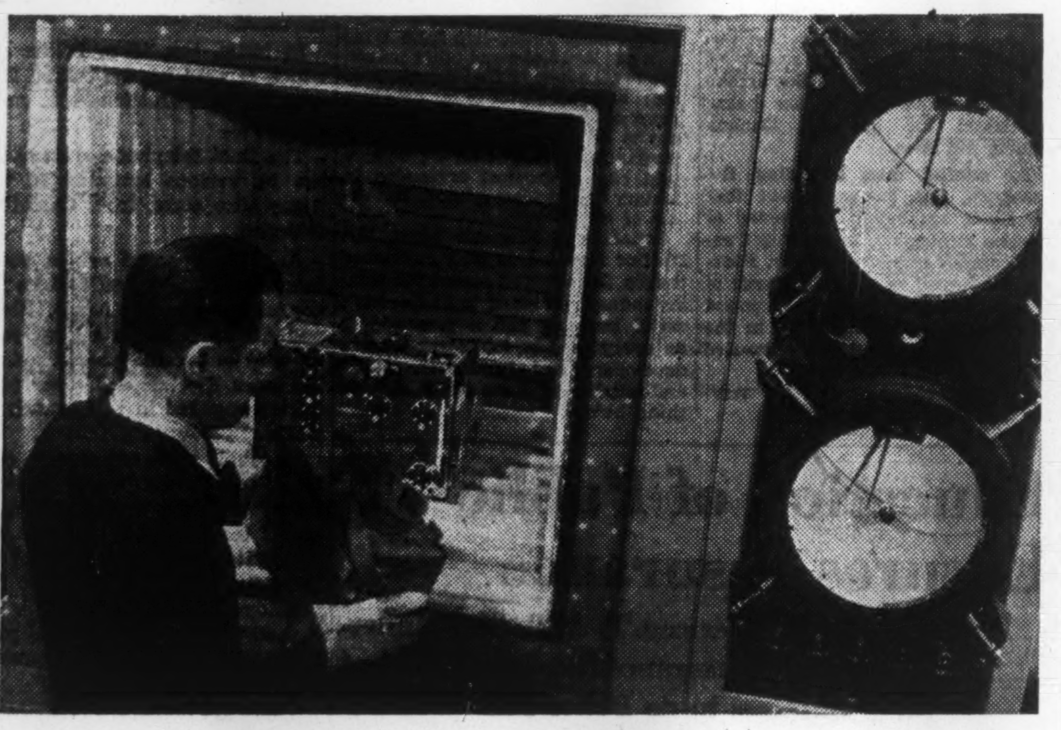
Radio Makers Step Up Tempo

Big Job Done Already in Design As Well As Production

Volume of radio communication equipment produced in Canada in 1943 was greater than in any previous year in the history of the industry. As many of the increased plant facilities only reached completion during the year, the industry did not have the benefit of a full year's production out of the expanded facilities. Consequently, providing there are no cancellations, the production of war equipment in 1944 should reach even higher figures.

Few contracts of any consequence were placed with the industry in the early part of the war. It was not until well along in 1941 that the full productive capacity was called upon for communication equipment. As a result, the industry has not yet experienced any lessening in demand.

Another factor contributing to continuing demand for this type of equipment is that developments in the radio art are probably taking place faster, and are more startling, than in any other type of product. There is a constant demand for new and better equipment to replace what was, only a few months before, the most modern then available.



Because planes must often fly through temperatures ranging down to 50 or 75 degrees below zero, radio equipment must be tested in special refrigerators. The picture shows such a test at the plant of Northern Electric Co., the instrument coming out of a chamber where the mercury can be forced down to 90 degrees below zero.

The contribution made by the Canadian radio communication industry to the equipment of the United Nations has not been in the field of production only. In the field of design and engineering, the Canadian industry has made notable contributions. Various types of equipment which have been conceived, designed and produced by Canadian companies are in use throughout all the theatres of war and are being used by all of the United Nations.

Depends on Communications

Successful smashing of the roof of Hitler's vaunted "Festung Europa"—the destruction of Hamburg and the Ruhr; the harrying of Berlin, Nuremberg, Kiel; the day and night pounding of Germany's war plants, oil storage facilities, supply dumps and communications, owes much to the radio communication equipment made in Canadian factories.

Successes of the Mediterranean fronts, in Russia and the far-off battles in the sky over the South Pacific have depended upon Canadian-built radio transmitting and receiving equipment without which the co-ordinated air operations would be impossible.

The brilliant and successful welding of land, sea and air operations that culminated in the complete subjugation of Sicily and the heartening progress up the Italian "boot" and other triumphs, hinged largely on radio.

Much of the equipment for the tanks, armored vehicles, field communications and other portable sets come from Canadian factories.

Not only in the field of production but in that of design and engineering have notable contributions been made by the Canadian radio communication industry to the materiel of the United Nations. Various types of equipment which have been conceived, designed and produced by Canadian companies are in use throughout all the theatres of war and are being used by all of the United Nations.

Are Doing Big Job

Demands made upon the industry have been many and varied. In meeting them the manufacturers have called upon all their skill, technical knowledge and plant facilities. With some the contribution has been bigger than with others, but all have shared in this vitally important work to the limit of their resources. Well to the fore have been R.C.A. Victor, Northern Electric, Canadian Marconi, Philco, Dominion Electrohome, Stromberg - Carlson, Rogers-Majestic, Addison Industries, Sparton, Stewart Warner and other manufacturers, whose names are household words throughout the length and breadth of the country.

If any one job which the radio communications industry has done in this war could be picked out for special mention, perhaps the quartz crystal stands in a class by itself.

Prior to the war, all radio crystal oscillator units used in Canada were purchased from the United States suppliers. Even before Pearl Harbor, radio-equipped planes, tanks and ships were being turned out by the thousands each month south of the border, and Uncle Sam could not keep up with domestic demands, much less export to Canada.

Stepping into the breach, Canadian Marconi opened the Dominion's first production centre for the processing of crystal quartz from far-off Brazil into oscillator units. Small as it is, the quartz crystal might be said to be the brain of radio communication, for it keeps the transmitter and receiver correctly tuned in spite of all outside influences, thus enabling contact at all times without attention.

Design General Set

Before the war, the industry was working with the RCAF on the design of a radio communication system which would serve for use in several types of aircraft. The result was the GP (General Purpose) set, consisting of transmitter and receiver, direction finder, inter-communicating system and local and remote controls. These sets must and do operate under exacting conditions of vibration, humidity, temperature and altitude or air pressure.

Designed primarily for training planes, this set was found to be equally useful in other types of aircraft and for use on ground stations as well.

Another development was the interphone amplifier now used exclusively in Canadian-built Harvard trainers, for inter-communication between pilot and crew or instructor and student.

Build Special "Mikes"

An interesting item of production by Canadian plants is the tiny microphone in use by pilots. This was originally developed as the receiver of the audiphone, a device to aid the hard of hearing, but its characteristics rendered it unusually adaptable in reverse as a super-sensitive microphone, or transmitter.

Then, of course, there is another type of microphone specially designed for use on oxygen masks.

The beacon transmission equipment, a highly developed form of radio transmission for guiding pilots was in use prior to the war, and has found a wider use today under war conditions.

Special airport transmitters and receivers also were designed and in use at airports across Canada before the war for the reception of CW (continuous wave) or MCW (modulated continuous wave) connecting airport to airport and plane to airport.

Then there is the radio compass which is now entirely manu-

(Continued on page 24)

Air Fleets Cost Money

Operational Air Squadrons Estimated to Cost $383 Millions One Year

Canada has shouldered cost of maintaining her squadrons overseas, and it has taken a lot of money. Last budget estimate for operations, aside from the Home War Establishment, was for $383 millions. And that only covers one year's activity in a war that continues to accelerate in tempo and scope.

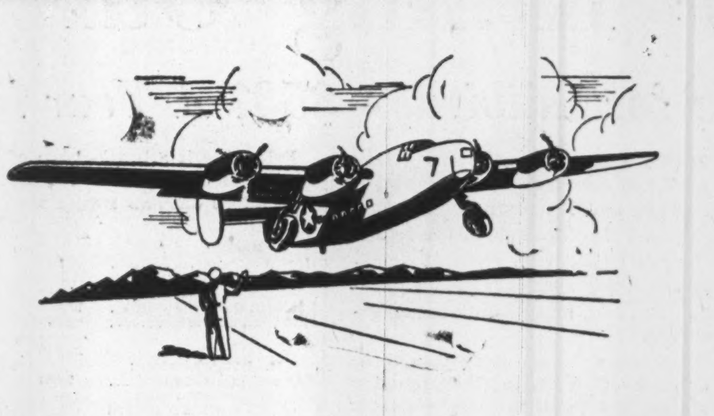
The Home War Establishment itself, according to budget, requires $300 millions. This expenditure enables Canada to produce trained men, machines and materials needed for victory.

More Canucks in RAF Than in Overseas RCAF

About ten Canadians are scattered through the RAF for every one there is in each of the 36 RCAF squadrons now in Britain. Thus, it is hard to gauge the extent of credit that should go to the Canadian boys, says Hon. C. G. Power, Minister of National Defense for Air.

Advise Hair Lacquer For Women in Plants

The Venida League, a non-profit group dedicated to the education of women in beauty despite wartime restrictions, suggests hair lacquer for defense workers to keep their hair neat and out of the way of machines and gadgets.



TODAY'S VEHICLES OF VICTORY ARE THE TRANSPORTS OF TOMORROW

Bendix aviation equipment has played a mighty part in helping United Nations flyers win mastery of the air.

Tomorrow, these vital contributions toward safe and sure air transportation will help reconstruct a new and better peacetime world.

Bendix-Eclipse of Canada is proud of its contributions toward Victory and eager to shoulder an important responsibility in the great developments ahead for air travel and transport.

BENDIX-ECLIPSE of CANADA, Ltd.
WINDSOR, ONTARIO

Division of
THE INVISIBLE CREW
Bendix Aviation Corporation

fresh fields to conquer . . .

BRISTOL, builders of the battle-tried Beaufighter and other military aircraft, are planning for the day when mightier Bristol transports will carry forward the work of those earlier "Bristols", which pioneered so many of the world's commercial air routes.

Bristol
AIRCRAFT

Represented in Canada by
BRITISH AEROPLANE ENGINES, LIMITED
MONTREAL

IT'S all that, our North Country. A post-war opportunity, too.

Noorduyn knows what the Northland offers—what it demands. A vast frontier of undeveloped resources, of hidden treasure—beckoning to the enterprising—ready to reward those who follow the northern air trails blazed by intrepid bush fliers and by the far-sighted Canadians who financed them.

Noorduyn's "Norseman" planes have loomed large in the picture of the Northland's development. Designed for bush flying, for small and rough landing surfaces, for short take-off, for heavy loads, for wheels, skis or floats—on every test demanded by the North the Norseman has come through.

Today all of Noorduyn's design and production is engaged in serving Canada's war in the air. But, tomorrow, when the war planes are finally grounded Noorduyn's Norseman—newer, finer—will again be flying the North, developing and serving Canada and the world.

NOORDUYN AVIATION LIMITED
MONTREAL

MAKERS OF THE "NORSEMAN", ONLY CANADIAN-DESIGNED PLANE IN PRODUCTION

Are We Killing Our Schools?

$536.55 A Year for Jailbirds – $537 A Year for Schoolteachers

In the accompanying article only one phase—the financial—of the Dominion's educational needs as set forth in the report of the Survey Committee of the Canada and Newfoundland Educational Association, has been discussed. Other findings of the report:

Health teaching has been too largely linked with physical education and the training of pupils toward highly specialized skills.

In order to improve supervision of schools, many additional supervisors and helping teachers are needed.

Canada has 20,610 school administrative units and more than three times that many school trustees. Of the above units, 14,692 employ only one teacher each and 1,430 others employ but two teachers each.

In one province, 101 of these administrative units are so small they have less than $5,000 of property assessment to tax for the upkeep of the schools.

Improved salary scales would attract to the teaching profession more people with the qualities needed, induce them to stay longer in the profession, reduce the number of teachers in training, thus reducing that item of expense.

Objectives of school activities in a democracy should be: establishment of the principles of morality, of physical wellbeing, of a good attitude toward work, and the training of children to develop their abilities fully so they may accept their full responsibilities.

School curricula should not be uniform.

Time is ripe for the wide introduction of crafts and skills.

If the democratic way of life is to persist as the best the world has developed and can produce, great responsibility rests on the leaders of democracy suitably to prepare for training of the children in the homes and in the schools.

Most Canadians suspect that the schools of the Dominion are starved financially.

In one respect, namely teachers' salaries, is this statement borne out. The Financial Post is informed that 17,492 teachers in Canada receive a salary of less than $537 per annum. According to the last report of the Provincial Secretary of the Province of Ontario the average cost of keeping a person in jail for one day is $1.47. On this basis for one year the cost would be $536.55. The comparison between money spent on maintaining our teachers and maintaining prison population is clear.

Low Assessments

Because the greatest number of children are often found where property assessments are lowest, these sections demand greater school facilities. Yet because the assessment upon which school rates may be levied is only the assessment of low-cost homes, with little or no factory business or other assessment to assist, result is a very high school rate in one area touching upon another with a relatively low school rate.

Too great variation in school costs and opportunities occur in remote rural school sections due to a small number of children living in a wide area or to extremely low assessment. Frequently such conditions lead to no secondary facilities at all. Creation of larger units of administration and amalgamation of former rural school sections would do much, the committee believes, toward equalization of rural costs and providing minimum secondary school advantages.

Similarly illuminating facts are set forth in a report of the Survey Committee of the Canada and Newfoundland Education Association which was formed to investigate and appraise the educational needs of the country, and make recommendations.

This group of educationists is headed by W. P. Percival, Director of Protestant Education for the Province of Quebec, and includes representatives of such Dominion-wide educational organizations as:

Canadian Teachers' Federation.

Canadian National Federation of Home and School.

Canadian Association for Adult Education.

National Conference of Canadian Universities.

Double Expenditures

In the belief of this group, present annual expenditures ($146.8 millions were spent by all the provinces during the 1941-42 session) are just about one half of what they should be. An additional annual sum of $144 millions is required to achieve a moderate practical advance in education, "an advance well within the nation's reach as soon as the necessity of war expenditure is passed."

Following is a break-down of the additional expenditures required:

WHERE TO EXPEND EXTRA MONEY

	Annual Expenditures ($000)	Capital
I. Health:		
Health survey	200	
Special grants for health teaching	1,000	
Medical, dental, nursing	17,000	
Nutrition services	2,000	
	20,200	
II. Administration:		
For better supervision	1,000	
An equalization fund:		
(i) To reach a standard program	8,000	
(ii) To equalize rural and urban programs	30,000	
Replacing old buildings		44,260
Transportation	2,000	
Longer school periods, plus part-time classes	10,000	
	51,000	
III. Educational Personnel:		
Selection and training of teachers, and to augment teachers' salaries	39,000	
IV. Curricula:		
Enriching school program	2,500	
Extra-curricular activities	2,500	
Educational guidance	3,000	
5,000 classes for special children	10,000	
Schol. to gifted children	3,000	
Secondary or junior college work	4,500	15,000
Better library service	1,000	
Technical and trade-training schools	6,000	
Education by radio, visual aids	150	
	32,650	
V. Adult Education:		
Library extension	1,000	
Provision for a more vigorous program	150	
	1,150	
Total	$144,000	$59,260
Grand total	$203,260	

School Costs Vary

The committee reports further:

The amount of money spent per child per year varies widely among the provinces, with consequent variation in educational opportunities. For instance, in 1936 expenditure per child was as low as $35.37 in one province while in another it was $80.24. The average for all the provinces was $57.18 per child per year.

In 1936 for 38% of the children between $35 and $40 only per child was spent annually.

For 16% it was $50 to $55, with the remaining 46% having $70, and $80 expended upon their educational betterment.

In other words, the pupil who could spend 12 years in the elementary and secondary schools of the least favored province would have $420 spent on his education while his fellow Canadian pupil in the better-off section would have $960 spent on his behalf.

The committee reports that as far as figures available for the year 1940-41 the same inequality exists.

Inequalities of the school burden, the survey reveals, are greater when measured in relation to local school rates. The tax rate for maintenance of local schools varies from as low as a fraction of a mill to as high as 200 mills.

Sometimes, school rates are made higher or lower because of the ratios of the number of school children to the total population of the community, it is shown. Newer settlements frequently have more children than do the older sections of the provinces, and are therefore at a disadvantage when it attempts to offer educational opportunities comparable to those in the older areas.

Capital Costs a Burden

Moreover the schools are greatly handicapped because of necessity of paying annual expenditures to meet payments on school bonds, school debentures or for interest payments on capital account. These payments necessarily curtail the amount of funds then available for school expenditure proper. Indeed, in some local school areas, it is pointed out, the annual capital charges equal the maintenance costs for the year.

Chief recommendations of the survey committee therefore are:

1. For the welfare of the schools a greater proportion of the annual school revenues be made available for the three major school needs:

a. Teachers' salaries.

b. Instructional equipment and pupils' supplies.

c. Ordinary maintenance of the school plant.

2. That school moneys be secured from all sources where the present-day wealth of the people is found and not only from levies on real property.

3. Fees, wherever levied, be abolished from the elementary and secondary schools.

4. The practice of apportioning legislative grants according to need to be continued and extended.

4. That in addition to the present yearly school expenditures of $146.8 millions throughout the Dominion, an additional capital sum of $59.3 millions, a total of $203.3 millions, be secured to make the moderate advances outlined in the report.

Quebec Clay, Cement Output Drops Sharply

Cement and clay products in Quebec for the first three quarters of 1943 decreased from the 1942 figure, while lime production increased substantially. Comparative figures follow:

	Nine Months 1943	1942
Clay products	$1,175,919	$1,431,100
Lime, tons	283,666	262,228
Cement, bbls.	2,733,795	3,521,297

C. P. Air Lines Dotting North With New Mine Area Airfields

What aviation plans to do for Canadian mining was told by C. H. Dickins, vice-president and general manager, Canadian Pacific Air Lines, at a luncheon in Toronto early this week.

Mr. Dickins revealed that new C.P.A. landing fields through Canada's mining areas are scheduled for completion by next September and that more 'planes are being purchased for northern Canada mining air lines.

To mining men attending the luncheon, the announcement that air fields are being constructed at various strategic points across Canada comes as good news. Mr. Dickins mentioned an air freight cost of 4½ cents a pound against $1 a pound reported by J. E. Hammell in the early days of air freighting into Red Lake.

Of improved northern air service Mr. Dickins declared:

"We are buying the best 'planes available for postwar business, and if the rates cannot be lowered in the near future, at least improved service in a major way we do aim at. When we get these landing strips we will be able to give regular services. For instance, we might have a daily round-trip from Winnipeg to Red Lake and other points. We realize keenly that the airplane must be a key factor in the development of Canadian mining. We aim not to be behindhand in any particular in serving what we believe will be the greatest expansion in history of Canada's mineral resources of all kinds."

Canadian Pacific Air Lines, Mr. Dickins revealed, is fully convinced that in the postwar period the mining industry is going to be Canada's major industry and is prepared to do everything in its power to give developers and producers steady and reliable service better than anything before.

Education of Public Ensures Insurance

Vice-president American T. & T. Sees Understanding of Life Insurance Services Means of Enabling Business to do Better Job

Public realization of the services life insurance provides and a conviction that these services were well handled would make the job of the whole insurance business easier, said Arthur W. Page, vice-president of American Telephone & Telegraph Co. before a meeting of the Association of Life Insurance Presidents recently in New York.

Mr. Page claimed that:

"There isn't any reason why the public shouldn't know these things if the business will take the trouble to tell them. But I doubt if the telling can be done effectively except by making the maximum use of everyone in the business. That means creating in them a faith, a confidence and pride in their profession, constantly renewing it and providing them with ideas, imagination and help in their task of transmitting their knowledge to the public."

Mr. Page was speaking primarily of the United States but his remarks apply in principle to Canada as well. He stated insurance has one means of informing the public in the hundreds of thousands of people whom it employs directly and some hundreds of thousands more in its agents. These represent a fair section of the public to begin with. They are scattered throughout the country, in every walk of life, and accordingly insurance people must know everybody in the country. Moreover, he declared, if everyone in the insurance business knows what his business is about and really believes in it, and knows how to tell the public, it would seem the latter could hardly escape being informed on the subject.

Part of Management

People in the insurance business can only be shaped into effective walking-talking expositors by constant teaching and preaching. These are the dynamic aspects of management, Mr. Page declared. If those concerned in the business work 100%, everyone in the country will hear a convincing story about insurance. If they work 50%, enough people will hear about it to provide all the reasonable political insurance that life insurance needs.

Moirs Declares $6 On Preferred Arrears

Moirs Ltd., Halifax, manufacturers of confectionery, biscuits, bread, has declared a dividend of $6 a share on the 6% preferred stock on account of arrears, payable Jan. 15 to shareholders of record Jan. 3. This is the first payment to be made on these shares since Jan. 1, 1935. Taking the present payment into account, arrears at the end of 1943 will amount to $48 a share.

Radio Manufacturers Step Up Production

(Continued from page 23)

factured in Canada and used in the Mosquito and Lancaster bombers. Previously they were imported.

In radio, too, there is the set which is used by the Allied Nations in tanks and trucks of various types.

The field telephone systems in use by various branches of the Army also come from Canadian factories.

As for wires and cables, some hundreds of types and designs for specialized use by Army, Navy and Air Force, form a large part of wire and cable production of Northern Electric and other producers engaged in this branch of work.

Unusual and extremely efficient, too, is the "super switchboard" or multiple remote control and tone-keeping equipment which it is possible to control up to 20 transmitters. Developed for the Royal Canadian Navy, this set is used at shore stations and provides unification of big communication establishments.

There are numerous other radio developments born in the modern engineering laboratories. But the most spectacular of all, to date, is the 100 kw. low frequency telegraph transmitter designed for the Canadian Navy for long-distance, point-to-point transmission. This is an RCA Victor of Canada development; it is sensational in operation and has been adopted by the British Admiralty. Its post-war possibilities are unlimited. Its details are, for the present at least, strictly secret.

Equipment designed, developed and manufactured by the Canadian radio communications industry, has found wide employment. It is used by the Ferry Command, the Canadian Department of Transport, Trans - Canada Air Lines, Canadian Pacific Air Lines, the Royal Canadian Navy, the British Admiralty, Royal Canadian Air Force, Royal New Zealand Air Force, the Chinese Government, the United States, and other Allied forces.

Much of the work done by the industry is still on the secret list, some of it only partially so. At this time, it is permissible to say that many of the developments arising out of the war will find wide and highly important application in the postwar.

There has been widespread anticipation that immediately the war is over fundamentally new products will be available to the public. This, definitely, does not pertain to radio. Manufacturers say it is likely that receivers available to the public in the early months following the lifting of restrictions on the production of radio for domestic uses, will be similar to those sets on the market at the time the industry stopped producing civilian radios. There will be some improvements, but these will not be of a fundamental or spectacular character. It will take many months, possibly years, they agree, before all the advances made by the radio art during the war will be adapted and produced for the general public.

CPAL's Maritime Plans Blocked

From Our Own Correspondent

MONTREAL.—Canadian Pacific Air Lines' application for a license to operate an air transport route between Saint John, N.B., and Halifax, has been turned down by the Federal Department of Transport.

A spokesman for the Department is quoted as saying that this action is in line with Government policy laid down some time ago. The same authority is also quoted as saying the Government is receiving numerous applications for air franchises but "these routes have been and will be held open until our gallant airmen return from overseas."

The connection between the return of RCAF members and the granting of licenses is not explained.

Harding's Earnings Cover its Dividends

In a letter to Harding Carpet Ltd. shareholders, accompanying current dividend cheques, president J. S. Dickson states preliminary figures for the fiscal year ended Oct. 31, 1943, show dividend earned by a substantial margin. During the year the company paid two semi-annual dividends of 10 cents each.

It has not been possible for the company to forward the annual report or hold the annual meeting as early as in preceding years. The report is expected to be forwarded to shareholders by the first of February.

POWER TO BRING PEACE ON EARTH

The year just closed has seen an intensification of the air power of the United Nations. That power is helping materially to bring peace on earth — and bring it soon. We, of Pratt & Whitney, are proud of the part we are playing in supplying and maintaining engines and propellers for that aerial armada. At the same time we look forward to the future when we can play a more satisfying role in building a more pleasant world.

PRATT & WHITNEY ENGINES

HAMILTON STANDARD PROPELLERS

Canadian Pratt & Whitney AIRCRAFT COMPANY LIMITED • LONGUEUIL, P. Q.

PRATT & WHITNEY ENGINES — HAMILTON STANDARD PROPELLERS — De HAVILLAND PROPELLERS — PESCO ACCESSORIES

Lieut. G. S. McIntosh, U.S. Navy, congratulates Chief Test Pilot, Hon. Group Capt. J. H. Lymburner, on test of first Fairchild-built Hell-Diver. Spectator in white naval uniform is Capt. J. E. W. Oland, D.S.C., R.C.N., N.O.I.C. at Montreal.

Well done!

Rear Admiral D. C. Ramsay, U.S.N., Chief of the Navy Bureau of Aeronautics, in a wire addressed to the men and women of Fairchild Aircraft Limited, stated that the Hell-Diver played a major role in the recent devastating raid in Rabaul. Admiral Ramsay's wire is quoted:—

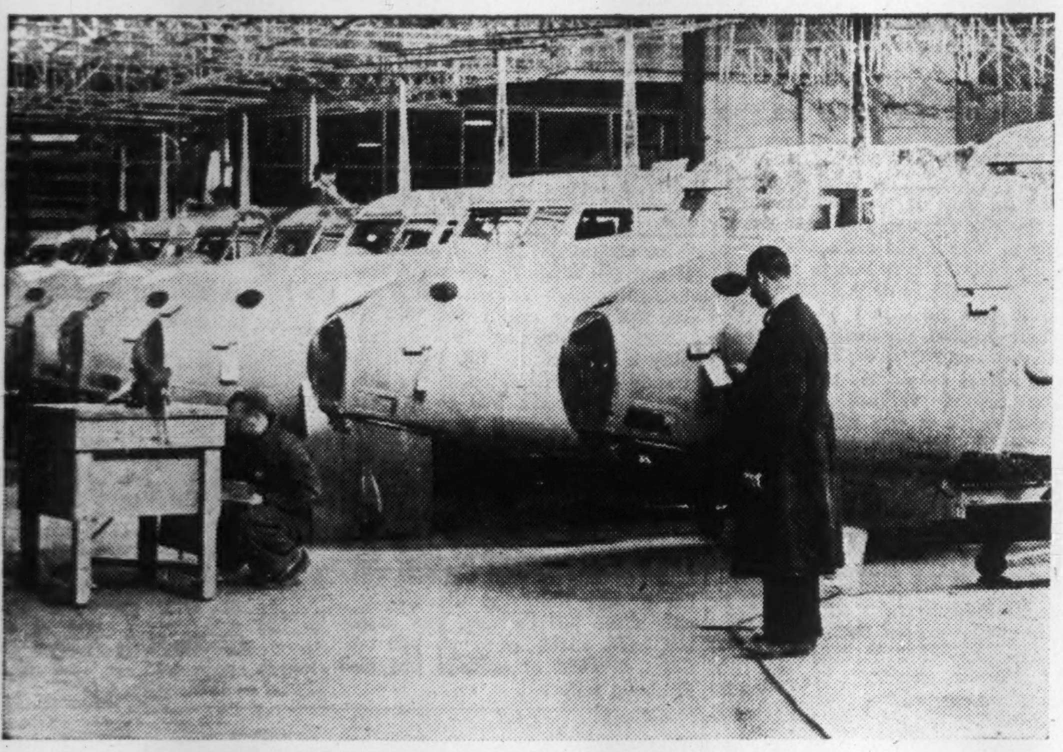
"Navy Hell-Diver in first smash at the Japs played a major role in the recent devastating raid on Rabaul. In this action, a squadron of the new Hell-Divers sank a light cruiser and a destroyer, probably sank a heavy cruiser, severely damaged another light cruiser and probably damaged a second destroyer. What the Hell-Diver accomplished in this single engagement is but a foretaste of what the Japs may expect when our flyers have enough of these powerful new planes."

* * *

The U.S. Navy Hell-Diver, designed by the Curtiss-Wright Corporation, and built in Canada by Fairchild Aircraft Limited, is the *ultimate* in dive-bomber construction.

FAIRCHILD AIRCRAFT LIMITED

LONGUEUIL (Montreal) QUE.



One of the biggest jobs of Canada's aircraft industry has been to turn out Anson bombers. Extensively redesigned, the Anson is one of the major instruments of preparing the air attack against Germany.

Postwar Sales Management

Convert People as Well as Plants, Says K. B. Elliott

It's time for industry to make ready to meet the problems of a buyer's market, says K. B. Elliott, vice-president in charge of sales of the Studebaker Corp., speaking on "Sales Management Tomorrow" at McGill University. Foreseeing a general widening of the scope of the field, a broad advance in selecting, training and compensating salesmen, improved opportunities for them, and less flamboyancy in sales management literature, he outlined various methods by which industry may adjust to the problems to be faced after the war. Notable among these was the importance of choosing the right kind of salesmen and then giving adequate training, instead of just whoop-and-hooray meetings.

Because we are at present in a "seller's market"—a period combining high purchasing power and scarcity of merchandise—ineptitude and indifference on the part of sales people, even active discourtesy, has come to be taken almost for granted. It is high time management started preparing for the day when the shift to the buyer's market begins to make itself felt. It is time industry took to thinking and acting to bring about the reconversion of personalities, as well as the reconversion of plants.

This is the statement of K. B. Elliott, vice-president in charge of sales, The Studebaker Corp., speaking on "Sales Management Tomorrow" in a lecture series arranged by the School of Commerce, McGill University, and the Advertising and Sales Executives Club of Montreal, delivered recently at McGill.

Four phases were seen by the speaker in which the peacetime sales management job may be expected to show marked development from previous standards or experience:

1. General widening of the scope of the field.

2. A broad advance in selecting, training, supervising and compensating salesmen.

3. Improved opportunities for salesmen because of better sales management and progress in selection, training and compensation; more constructive attitude toward selection and training on part of both sales management and sales personnel.

4. Less flamboyancy and more realism in the character of the literature of sales management.

In training salesmen, Mr. Elliott said, there must be a definite purpose.

What, then, is the target? The main purpose of training salesmen, he remarked, is to improve the kind of work they do, and increase the amount.

Now, therefore, is the time to prepare the pattern, for management to ask itself:

What are the requirements for making good as a salesman in your company or mine? What are the salesmen for our individual companies supposed to do? How are they supposed to do it? What are they being trained for?

Salesman Selection

As desire to learn about a job is most easily stimulated in a new man, careful selection at the time of employment may well be a more important factor in raising the production-per-salesman than any amount of effort in training and developing after a man is hired.

In selecting and training at the retail level, it was pointed out, there is need for methods of the simplest sort which the employer can interpret clearly and apply quickly without calling in outside help.

One of these is the strictly factual "weighted application blank" which aims at finding the chief common denominators among the company's successful and unsuccessful salesmen and giving these statistical values. This takes such facts as age, marital status, former earnings, employment changes, etc. out of the "impression" category and are made a specific aid to judgment without, however, displacing judgment.

This method has served as a practical guide to reducing turnover among salesmen, claimed the speaker.

Another selection method described is the "standardized interview." It is used by the U. S. Employment Services and by U. S. Army boards-of-review. It is on the same principle as the "weighted application blank," or controlled interpretation of objective information, but is designed to draw the applicant out and see what's on his mind. The interviewer who has a clear idea of what he wants to find out and uses a well-planned interview guide can uncover many revealing facts which would never emerge otherwise.

Compensation Plans

Another problem Mr. Elliott saw facing postwar sales management is the effect of the compensation plan on the attitude and productiveness of salesmen. Method of pay needs to emphasize more than quantity and quality of the salesman's work as a gauge of the size of his pay check. It needs to have qualities to attract the right kind of salesmen and encourage them to exert their best efforts.

Sales management therefore needs to review all its compensation policies in the light of their potential influence on salesmen, sales activities and results.

For instance, it might ask itself, said Mr. Elliott:

What's going to be the effect of our compensation plan in the coming competition for sales manpower?

Is it liable to force salesmen to adopt "high pressure" methods that skirt the edges of dishonesty?

Will the plan encourage cream skimming?

Will it tempt salesmen to promise more than they can deliver?

Will salesmen have sufficient incentive to sell customer-satisfaction along with the product or service?

Does it recognize the difference between established territories and those where pioneering is just getting started?

Two Factors

There are two factors to which sales management may well give special attention:

1. Take full advantage of the current live interest in training.

2. Plan for visible, tangible results. Though exciting, inspirational whoop-and-hooray meetings for salesmen have accomplished some results, they are at best stimulation, not nutrition. "They are not training," said Vice-President Elliott.

Measuring the difference in production-per-salesman is one of the surest ways of selling the program to salesmen and increasing production and is assuredly a "tangible."

Training provides also the control for "know-how"; it keeps the salesman's attention concentrated on the smooth road, prevents his landing in a rut.

A final tangible result, he said in conclusion, is the opportunity in training salesmen to create leadership within the organization. More than ever in the postwar world is there great need deliberately to cultivate leadership qualities for the many marketing tasks to be done.

Eire: A Sick Economy

Country Is Suffering Penalties of Neutrality

Although Eire (Ireland) has succeeded in keeping out of the war, she has not been able to escape its economic consequences.

An acute shortage of consumer supplies, induced by the fact that Eire's normal imports come from England and the U. S. A.—both warring countries whose exports to Eire have been drastically cut—has forced the Government to grapple with the problem of price control and distribution of scarce commodities. Its reluctance to carry out this legislation until conditions had become acute, however, together with ineffective execution has caused widespread dissatisfaction in the country.

At the recent elections, labor, farmer and independent groups gained at the expense of De Valera's "Fianna Fail" party as well as the chief opposition party, the "Fine Gael."

According to The Christian Science Monitor the election results show that Mr. De Valera's chief weapon, the "partition issue," is being pushed into the background by the more practical issues resulting from shortage of supplies.

These facts are reported from a recent survey made by the Wartime Prices and Trade Board.

No Feedstuffs

An acute shortage of imported feedstuffs and fertilizers, for instance, particularly affects an agricultural economy like Ireland's which before the war concentrated on dairy farming and meat production. Whereas Eire had been importing 150,000 tons of wheat offal and 500,000 tons of corn, in Oct., 1942, she was getting none.

At this point barley production at home was increased from 110,229 tons in 1938-39 to 172,274 tons in 1942 to offset this. Oats likewise were increased.

Nevertheless the feeds shortage induced a decline in the hog population which in turn caused a bacon shortage. Hogs in Eire fell from 1,049,089 on June 1, 1940 to 518,704 on the same date in 1942, a decline of 50.6%. Even the "compulsory tillage" system introduced in Oct., 1939, whereby no less than one eighth of the arable land contained in any holding had to be tilled, accomplished little. Wheat production did increase in 1942 to 511,518 tons from 200,000 tons in 1940. But attempts to find replacements for imported artificial fertilizers were not successful either.

In the same train a shortage of butter resulted from the lack of feedstuffs and imported vegetable oils.

Industries Slow Down

Industrially, Eire has chiefly engaged in producing consumers' goods. But most of her industries have to depend on imported fuel, raw materials and machinery. Consequently the war caused neutral Eire to suffer a reduction of industrial activity and brought about unemployment.

Moreover, Eire has onl[y a] small number of mercha[nt ships,] some of which have bee[n ...] which to carry supplies. [...]ring countries naturall[y ...] shipping space to spare. [...] has fared is seen in th[e] figures from the Ministe[r ... Sup]plies, April, 1943:

Eire's Imports

	% of Normal
Tea	25
Gasoline	20
Kerosene	15
Cotton Yarn	10
Textiles	10

What Ireland Lacks

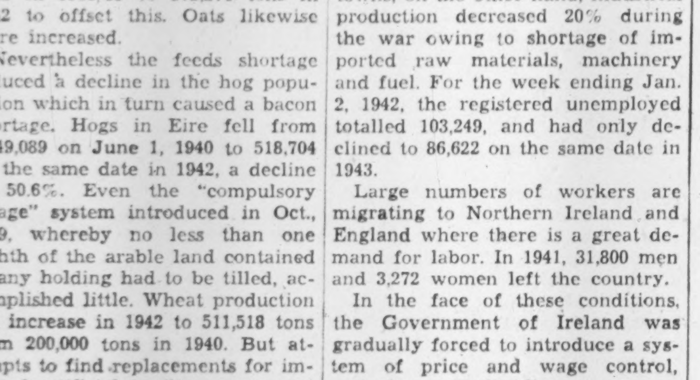
Moreover, it was reported in June, 1942, Great Britain reduced cotton yarn exports to Eire to 12% normal amount, piece goods to 20%. Wheat imports dropped from 30,240 tons in 1939 to 27,655 tons in 1940, and 5,465 in Jan.-March, 1941. Corresponding figures for maize were 34,004 tons, 24,094 tons and 1,315; other cereals from 9,506 tons to 6,377 and 1,972.

Due to increased tillage and greater demand for turf to make up for lack of imported fuels, labor lack is acute in rural areas. In the towns, on the other hand, industrial production decreased 20% during the war owing to shortage of imported raw materials, machinery and fuel. For the week ending Jan. 2, 1942, the registered unemployed totalled 103,249, and had only declined to 86,622 on the same date in 1943.

Large numbers of workers are migrating to Northern Ireland and England where there is a great demand for labor. In 1941, 31,800 men and 3,272 women left the country.

In the face of these conditions, the Government of Ireland was gradually forced to introduce a system of price and wage control, rationing and subsidies.

Wages in certain industries were controlled and all applications for wage increases were reviewed by tribunals. A system of standard rates for each occupation was introduced, plus a flat rate cost-of-living bonus which was not granted automatically, but only on recommendation of the tribunals.



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"Life means more to us than dances, movies and good times and Canadian boys say they can sit and talk to us seriously, plan the future with us," she writes.

This British girl pulls no punches. Read her frank criticism of our Canadian way of life in one of the most provocative magazine articles of the year.

The Strange Case of Mosley

by Beverley Baxter

"MORRISON would have been on safer ground if he had not dealt at all with Mosley but had gone straight out after Regulation 18B which empowered the Government to imprison and detain British subjects without trial," Baxter argues. His London letter tells of the demonstrations, the deputations and the vigorous conflict of opinion that followed the release from prison of Fascist leader, Sir Oswald Mosley.

ALSO IN THIS ISSUE:

Tomorrow's Car
What will your next automobile be like? How soon after the war will it be ready? — Ray Millholland discloses what car designers are planning, debunks much exaggerated talk about the "wonder car" of the future.

I Was The Wireless Operator
It was no easy task to draw out his thrilling experiences from young F/L Coleman Perkins, DFC, 200 hours on operational flights. But Gordon Sinclair did it and the result is a superb story of what it feels like to be in a big bomber in action.

Canada's "Mike" Pearson
A close-up of the young, smiling, hard-driving diplomat at Washington who heads the United Nations Interim Commission on Food — by R. T. Elson.

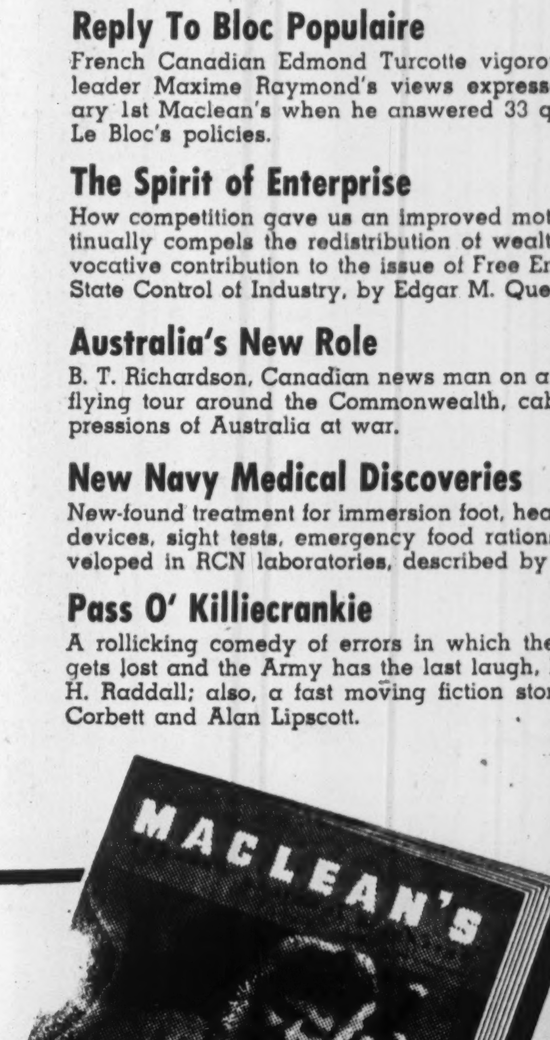
Reply To Bloc Populaire
French Canadian Edmond Turcotte vigorously refutes leader Maxime Raymond's views expressed in January 1st Maclean's when he answered 33 questions on Le Bloc's policies.

The Spirit of Enterprise
How competition gave us an improved motor car, continually compels the redistribution of wealth — a provocative contribution to the issue of Free Enterprise vs. State Control of Industry, by Edgar M. Queeny.

Australia's New Role
B. T. Richardson, Canadian news man on a 12,000-mile flying tour around the Commonwealth, cables his impressions of Australia at war.

New Navy Medical Discoveries
New-found treatment for immersion foot, hearing testing devices, sight tests, emergency food rations — as developed in RCN laboratories, described by E. B. Reid.

Pass O' Killiecrankie
A rollicking comedy of errors in which the Air Force gets lost and the Army has the last laugh, by Thomas H. Raddall; also, a fast moving fiction story by Scott Corbett and Alan Lipscott.



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JANUARY 15 ISSUE ON SALE TODAY

More Labor For Gold Mines

Aim to Keep All Remaining Golds in Production

By GORDON M. GRANT

Canadian gold mines appear on the verge of getting some worthwhile assistance on the manpower front with indications not lacking that gold mines may have a much easier time of it from now on as far as securing men is concerned.

Announcement of Arthur McNamara, Director of National Selective Service, that men will be assigned to gold mining where additional labor is essential to keep the mine in operation, appears a concession of first importance to the gold mines. No longer, it seems, will the list of Canada's producers shrink month by month due to gradual shrinkage in available labor.

With labor forces at most gold mines already cut to the bone, there will probably be few gold mines which won't be able to present a good case for further assistance.

Even limited immediate assistance is an encouraging factor for the golds.

Broader Outlook Encourages

According to reports from Ottawa, predictions are being made of an early reversal of the entire manpower situation, a development which would be still more encouraging to the golds. D. W. Foster, associate director of National Selective Service, at a recent meeting in Ottawa, declared that there will be "lots of lay-offs between now and June." While he stated that National Selective Service will be called on to solve a "lot more" manpower problems, there is a big difference now as far as the golds are concerned. Gold mining has been included in the category of "manpower problems."

For several months, authorities at Ottawa have had Major J. M. Eakins, northern Canada mining authority at work, surveying the gold mining manpower situation. Fairly well cognizant of the situation at various mines in eastern Canada, Major Eakins has recently completed a survey of the gold mining industry in British Columbia, generally conceded the hardest-hit sector of the Canadian industry.

B.C. Mines Get Men

No statement has been released on Mr. Eakin's findings but reports lend belief that British Columbia and certain eastern mines will get further men. It is believed that mines such as Cochenour will be allowed to carry out shaft sinking where any further delay in shaft sinking might prevent the regular development of ore.

Other mines will be allowed to extend their development in order to keep ore ahead of the mill.

There are some signs that the government has already moved to assist individual gold mines as a result of Major Eakin's survey. Island Mountain recently placed a crew on development and it is planned to place another crew on similar work shortly. Cariboo Gold Quartz management recently announced that there were hopes of securing further men for operations, apparently referring to Major Eakin's recommendations.

Both the Island Mountain and Cariboo Gold Quartz mines had been previously hard hit by the labor shortage—perhaps hit harder than any other gold mines still in production.

Madsen & Chesty Gain

In eastern Canada, Madsen and Chesterville have been mentioned along with Cochenour as mines which will likely get more men. Omega Gold Mines, which has been on the "teeter-totter," from a labor standpoint, would seem likely to secure men for its operations.

There is not a single gold mine in Canada, it appears, which is not short of men, but not all will likely receive immediate consideration.

Knottiest problem of the gold mines—the manpower question—is now receiving the attention of Ottawa and further men are to be made available for the mines which need them most.

British Columbia golds and Ontario mines such as Madsen, Cochenour and Chesterville are expected to benefit, according to preliminary reports. In certain instances, permits are expected to be granted to allow the sinking of new shafts.

Mining companies which showed foresight in extending shafts well beyond current requirements, when plenty of manpower was still available, may not get consideration as early as others under the present step-up as the idea is to keep all gold mines in operation.

Some mines in the Little Long Lac area are already reported to have secured some extra men. Further manpower had become a particularly acute problem at Little Long Lac Gold Mines.

As there are still many high priority jobs awaiting people subject to "lay-offs," no great influx of men into gold mining appears likely for some months at least. Success attending the opening of a second front will probably determine if the total war effort can be reduced and a much larger supply of men made available.

But there are reasons for thinking gold mining will be rated fairly high in point of labor priority from now on. "Concentration" of gold mining appears to have been carried to an extreme point with the supply of labor dangerously short at some of even the larger mines.

Must Prepare Now

If it desired that these mines be in a position to assume a substantial number of workers after the war, it will be necessary to provide them with enough workers now to maintain workings in fairly good shape. Just maintaining the mines in production will be no assurance that the mines concerned will be able to give work to a much larger number of men after the war. However, there are indications that the manpower authorities are not unmindful of the postwar job situation.

Allowing mines to sink shafts further will provide a larger number of places where men can be put to work after the war.

Platinum Metals Find New Wartime Uses

During 1943 there was an increased use of platinum metals—including platinum, palladium and ruthenium according to Charles Englehard, President of Baker Platinum of Canada Ltd.

Canada continues to be the dominant factor in the world supply of each of these metals which are byproducts of nickel-copper production in the Sudbury district.

Due to war restrictions, no review is made of present uses of platinum, but palladium is stated to have enjoyed a very active demand, principally for jewellery, dental alloys and electrical contacts.

With use of platinum in jewellery restricted, palladium has benefitted, and while the demand for palladium has been unusual, there has nevertheless been a restriction in jewellery's use of the metal due to the United States government's desire to conserve manpower and employ precision machinery for war production.

As a result of this curtailment, it is reported the supply of wedding and engagement rings may prove insufficient.

Ruthenium is said to have been one of the most interesting of the platinum metals during the past year. It had previously been overshadowed by iridium as a hardener of other platinum metals but when a shortage of iridium developed, the properties of ruthenium were investigated by the industry and this metal now fills an important position in the field of precious metal hardeners.

Increased knowledge of the platinum group of metals indicates greater usefulness in chemical and allied industries in the postwar era to provide improved processes and new products. It is interesting to note that expanded production of fibreglas, rayon and electronics, three developments of science, was made possible by platinum.

Mr. Englehard feels that "the future of palladium is extremely bright, particularly in jewellery to supplant white gold, in dentistry to replace gold and in the chemical industry for catalytic purposes. Current stocks of this metal assure ample supply for all these purposes."

Montr'l Group Hit Power Plan

Citizens Committee is Against Quebec Taking Over Montreal Power

From Our Own Correspondent

MONTREAL.—Private ownership and operation of the electric light and power services of Montreal is recommended by the Montreal Citizens Committee, an organization of business men and others interested in the welfare of the city. Clinton Henderson, former president of the Montreal Board of Trade, heads the Committee, with C. E. Gravel, a prominent French-Canadian business man, as vice-president.

Although not always the most efficient, the Committee regards the socialization of public services as streets, sidewalks, sewers and schools, as necessary because of the impossibility of assessing each user of such service with a fair share of the cost. This is not the case with electricity, where the service can be and is metered and each consumer charged the price of the service he uses.

Don't Like Politics

"There is reason to believe," says a statement issued by the committee, "that the publicly owned utilities in Ontario have adopted the practice of furnishing electric light to domestic consumers at less than a true economic charge, for the reason that they are publicly owned and that they are, therefore, in a position where the goodwill of the voters is highly essential to them."

In recommending against operation of the light and power services in Montreal by the provincial government, the committee says: "That government is necessarily responsible to a Legislature elected by the whole province, and there may be a grave danger that the operations of a utility in Montreal paid for by charges on the citizens of Montreal might become a method by which those citizens might be taxed for provincial purposes, without having the right to control that form of taxation."

Opposition is also expressed by the Committee to turn over the operation of Montreal's power system to the Metropolitan Commission on the grounds that the Commission was designed to help out bankrupt municipalities in the Greater Montreal area and its operation of the utility system would only add to the burden of the citizens of Montreal proper.

Paper Union Workers Seek Wage Adjustment

Delegates of international unions in the paper industry and of 19 companies and mill owners have submitted to the Regional Paper Board a memorandum requesting for all Quebec, New Brunswick and Nova Scotia mills' wages similar to those paid in Ontario.

In Quebec paper mills workers are paid 45 cents an hour, while in Ontario the basic wage is 56 cents an hour.

OPA States Paper Policy

Lightweight Newsprint Price Left Open; Will Set Ceiling About April 1

From Our Own Correspondent

MONTREAL. — During a four-month experimental period new light weights of newsprint paper may be priced by the addition of the extra production costs to ceilings for standard newsprint paper, the U. S. Office of Price Administration rules.

The differential applies to the period from Dec. 1, 1943, to March 31, 1944.

Because of the lack of information on increased costs of manufacture, the OPA is allowing the temporary differential to be determined by individual negotiation between each seller and buyer.

Manufacturers are required to send monthly reports to the OPA on their increased costs, so that by April 1 next OPA authorities anticipate it will be possible to determine the fixed differential for use by all manufacturers.

While Canadian manufacturers have been making a lightweight newsprint sheet for export to Britain, no attempt has been made to market this product in the United States as under existing tariffs this product would be subject to duty whereas standard newsprint is duty-free.

Great Northern Paper, one of the larger U. S. mills, recently offered to supply its customers with lightweight newsprint paper at a premium of $5 a ton above the existing schedule for standard paper. St. Croix Paper and Maine Seaboard Paper also are making a lightweight sheet.

W.P.B. Reports Tonnage Granted Publishers

Grants for additional newsprint paper tonnage to American publishers in the fourth quarter of 1943 up to Dec. 16 totalled 28,867 tons. This contrasts with $60,286 tons during all of the third quarter; 57,962 tons in the second quarter and 66,352 tons in the first quarter.

Little Long Lac Gold Mines dividend of 4 cents a share paid recently approximately equalled 1943 net profit per share, president D. M. Hogarth informs shareholders. Reduction in earnings from 16 cents a share in 1942 was due to labor shortage, increased costs and smaller tonnage and grade of ore handled. It is expected the labor situation will right itself, Mr. Hogarth states, but other adverse factors appear likely to persist. An independent consulting engineer retained, John A. Reid, draws attention to a steady diminution in width and grade of ore at depth, and estimates known ore resources should permit milling to continue for about four more years. Several possibilities of developing new ore were reported to exist and a broad program of exploration is planned as soon as conditions permit.

Steep Rock's Lake Drops

Surface Down Eight Ft. as Pumps Exceed Rated Capacity

Water level in the main reaches of Steep Rock Lake has dropped eight ft. since the start of pumping operations in December, Steep Rock Iron Mines reports.

Despatches from the property state that dewatering is proceeding satisfactorily and that the pumps are exceeding their rated capacity. An area of more than five square miles is being dewatered which represents the biggest pumping job ever undertaken as part of a mining operation on this continent.

Fourteen electrically driven pumps are being used on the job, each with a capacity of 23,000 gallons per minute. They are operated from steel barges.

In order that continuous operation may be carried on regardless of weather conditions, pumps are discharging into a specially excavated collecting basin which is planked over and can be heated, if necessary, to prevent ice trouble.

The company reports that most of the mining equipment has been purchased and is already in the company's possession. Other items are being secured under the company's priorities without difficulty. Production is scheduled to start on August 1 of this year.

Quebec Reports on Copper Showings

Showings of copper minerals in the Wakeham Lake area, Quebec, are noted by Jacques Claveau, geologist of the Quebec Department of Mines, in a preliminary report (No. 181) on this area.

The area covers about 200 square miles and lies in Saguenay Co., some 55 miles northwest of Havre St. Pierre, a regular port of call for the Clarke Steamship Co. on the north shore of the St. Lawrence, 400 miles below Quebec City.

No prospectors are reported to have ever been in this area. Rocks, all of which are said to be of Pre-Cambrian age, are abundantly exposed. The showings of copper minerals occur at or near contacts between quartzite and gabbro. Such contacts are reported numerous and extensive throughout the area and adjoining regions.

Copies of the report, which is accompanied by geological maps may be secured in English or French from the Deputy Minister, Department of Mines, Quebec.

United Shipyards Ltd. Set Launching Record

United Shipyards Ltd., jointly operated by Dominion Bridge and Fraser-Brace Engineering, is believed to have set a 1943 shipbuilding record for Canada by launching more than 250,000 tons of cargo ships between May and November.

Two years ago this month the shipyards was an icy swamp on the south bank of the St. Lawrence River opposite Montreal. The launching season is limited to 7 months and during that period last year, the company accomplished the task of carrying out 5 double launchings and one triple launching.

Oil Production

Turner Test Gets Oil

From Our Own Correspondent

CALGARY.—Northend Petroleum No. 1, deep test of the east side limestone in Turner Valley this week was the centre of interest for the Alberta oil industry. It moved into the spotlight last week when it penetrated the upper porous section of the lime, halted drilling at 9,186 ft., and made a very successful drill-stem test of the first porous horizon. The test, made on Jan. 4, provided evidence of a heavy oil volume, backed by strong formation pressure and initial gas volume sufficient to cause the well to flow without acid, despite the depth of nearly 9,200 ft.

Following the test, drilling was resumed, and the bit is expected to enter the lower porous zone and complete drilling in a few days. Final depth will probably be more than 9,400 ft.

It is expected the well will be developed into a large oil producer—one which will have an important bearing on the future of development in Turner Valley. Success of the well opens up a number of new sites in northeast Turner Valley, and offers hope that a further major extension of the field may be made in this area.

The Jan. 4 test was made with drill-pipe bottomed at 8,920 ft., 80 ft. above the upper porous zone. The tester was opened at 1.30 a.m. and, by 9.25 a.m., influx of fluid from the formation had filled the pipe and had kicked out a column of 270 ft. of drill-fluid. From 9.25 to 10.15 a.m. the well flowed steadily under its own power into a sump pit, rate of flow being estimated at up to 20 bbl. hourly, although no exact check was possible. At 10.15 a.m. the well was closed in. By 11.40 a.m. tubing pressure had risen to 270 lb. The well was reopened at this hour, pressure bled down to 110 lb., and the well flowed into the sump until 12.35 noon at an estimated rate of 10 bbl. per hour. Tubing pressure was maintained at 110 lb. At 12.35 the well was again closed in, and by 2 p.m. tubing pressure had risen to 250 lb.

* * *

Formation Unusually Thick

The crew then commenced pumping the column of fluid back into the formation, loaded the hole with mud, and prepared for resumption of drilling. During both the brief flow periods of the test, the fluid appeared to be clean crude oil, with no evidence of water. The test was supervised by Ken Doze, petroleum engineer for Oil Ventures Ltd.

Conservation Board analysis of the limestone samples at Northend 1 disclosed an unusual thickness of the upper porous section. Samples from 9,000-9,015 ft. showed fair porosity; 9,015-20, mostly cement; 9,020-40, dense, with small traces of porosity; 9,040-60, dense; 9,060-70, granular, with traces of pin-point porosity; 9,070-80, traces to fair porosity; 9,080-9,100, samples missing; 9,100-20, traces of porosity; 9,120-25, dense; 9,125-40, fair porosity; 9,140-55, traces to fair porosity; 9,155-70, fair porosity. The 170-ft. section showed in all about 110 ft. of "traces to fair porosity," plus additional very slight porosity.

The Northend No. 1 well is located in L.S.D. 12-9-21-3w5 on the 'east side lime' of north Turner Valley, and quarter of a mile east of the Northwest-Hudson Bay No. 13 well, 9,435-ft. producer. Lime elevation is about the same at both wells, about 4,961 ft. below sea level. The Northwest 13 is currently capable of producing 300 to 400 bbls. of water-free oil daily from the upper and lower zones of the "east side lime," with an increased potential looked for following full opening up of the main uplift lime.

* * *

New Saskatchewan Test

Location for the fifth well on their holdings of around 2.5 million acres in south Saskatchewan was announced last week by Norcanols Oil & Gas Co. and Imperial Oil. The new test, Norcanols-Corinne No. 1, is to be drilled in the centre of the 80 acres comprising L.S.D. 15 and 16 section 32-13-20w2. The site is 7 miles northwest of the Corinne railway point, and is about 20 miles south of Regina.

Norcanols (in which Imperial Oil holds around 80% interest, with the remaining interest held by the Canadian Western Natural Gas, Light & Power Co. and Osler & Nanton) and Imperial Oil each acquired holdings exceeding a million acres in south Saskatchewan early in 1940, plus additional acreage since, and have been engaged in a joint large-scale survey and development program the past four years.

Drilling was commenced in 1942, with Norcanols-Radville No. 1. This well was carried to total depth of 7,958 ft., with oil and gas showings in the Madison and Devonian limes. Due to mechanical difficulties (lost drillpipe), the hole had to be plugged back and re-drilled from 4,912 ft. It was re-drilled to 6,062 ft., where further mechanical difficulties were encountered, and the well was finally abandoned in Jan., 1943. The second venture, Norcanols-Dahinda No. 1, was drilled to 5,208 ft. into the Madison, and was abandoned in July, 1943, with oil shows not commercial.

The third and fourth wells in their program, Norcanols-Ogema No. 1 and Norcanols-Parry No. 1, are now at the final drilling stage, at the greatest depth yet drilled in Saskatchewan, are expected to soon commence working back for tests of various potential oil and gas horizons penetrated from the Jurassic lime down. Both wells have encountered encouraging showings.

* * *

Down Over 9,000 Ft.

Norcanols-Parry No. 1 halted drilling at 9,042 ft., after doing considerable coring past 600 ft., and was still reaming at last report. The 7-in. casing was set at 7,828 ft. The Jurassic was topped at 3,858 ft., the Madison at 5,563 ft., the Devonian at 6,031 ft. Since then, the bit has penetrated the Silurian and Ordovician, and is now believed in the Cambrian, or at the top of the Pre-Cambrian, where drilling is to be completed. The surface elevation at Parry is 2,547 ft. above sea-level.

Norcanols-Ogema No. 1, at last report was drilling at 9,234 ft., with confirmation of the Pre-Cambrian granite looked for at any time; 6⅝-in. casing was set at 7,634 ft. The Jurassic at this well was topped at 3,286 ft., the Madison at 5,550 ft. and the Devonian at 5,945 ft. Surface elevation at this well is 2,420 ft. above sea level.

Along with this drilling program, the Norcanols-Imperial team are continuing intensive geological and geophysical investigation, under the direction of Dr. J. C. Sproule. Their large holdings lie south of Regina, and trend in a southeasterly direction, largely south of the Canadian Pacific Soo line, to a point east of Weyburn. The southeast corner of the holdings lies just north of the International border in twp. 1, Range 12w2.

* * *

To Test Hutton Area

Two majors and four independent groups have joined forces to test a 30,000-acre block in the Hutton area, on the south Alberta plains, 90 miles due east of Calgary. The initial well on the block, to be known as Riley-Lloyd No. 1, has been staked in the centre of L.S.D. 16 5-23-14w4. Ground elevation is 2,308 ft. Madison limestone is looked for about 3,350 ft., with potential oil and gas zones in the sands immediately above the lime, and in the lime itself. The initial well will be drilled by General Petroleums, using a light rotary rig. Pits have already been completed at the site, cellar and derrick will go in next week, and spudding is slated by Jan. 31.

Backers of the well are: A. H. Mayland (Gas & Oil Products); British American Oil Co., and Dominion Oil Co. The 30,000 acres involved were taken up by Riley and Lloyd of Calgary who, together with the groups financing the drilling, will share the acreage. The block has been checkerboarded, but the exact division of acreage has not yet been reported.

Wende Named President Of Lake Shore Mines

Albert Wende of Buffalo has been appointed president of Lake Shore Mines, replacing the late Dr. W. P. St. Charles.

William Wright, who has been vice-president of the company, now adds the position of treasurer.

Walter Foskett of Loganport, Ind., has been added to the board of directors to represent Lady Oakes.

Central Patricia Gold Mines reports production of $232,187 from 20,804 tons of ore milled in the last quarter of 1943, compared with $333,060 from 24,632 tons of ore milled the preceding quarter and $468,828 recovered in the same quarter of 1942.

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ONTARIO

Ontario Mining Commission

Notice of PUBLIC HEARINGS

The Ontario Mining Commission will sit January 24th and 25th, 1944, at 10:00 a.m. in Room 1433, Department of Mines, East Block, Parliament Buildings, Toronto, for the purpose of hearing presentations on the following subjects:

Monday, January 24th

(a) Regulations Governing the Financing of Mining Developments.

(b) The Necessity for and the Methods of Stimulating Prospecting in Ontario.

Tuesday, January 25th

Miscellaneous subjects, coming within the scope of the enquiry by the Commission as previously announced by advertisement in the press.

Those wishing to appear on the above dates are asked to notify the Secretary for the Commission, Room 1302, East Block, Parliament Buildings, Toronto, at as early a date as possible and in any event not later than January 20th, 1944.

Date and place of hearings to be held in Northern Ontario municipalities will be announced later.

By Order of The Ontario Mining Commission. Norman C. Urquhart, Chairman.

Dated at Toronto, Ontario, January 13th, 1944.

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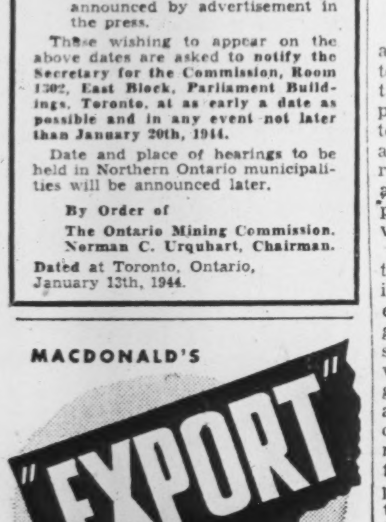

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0.75 ... May 1/43 Apr 7-xd 6
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0.75 ... Nov 1/43 Oct 7-xd 6
Paid: 1942—$3.00; 1941—$2.68¾
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0.75 ... Feb 1/43 Jan 7-xd 6
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Your Personal Income Tax

Molyneux L. Gordon Advises Against Incorporating Business Where Land, Patents or Copyrights are Handled — Taxes Higher

By MOLYNEUX L. GORDON

ARTICLE 6—When to Incorporate

The answer is, not if you can avoid it.

This article deals solely with the tax situation, and no consideration is given to the many advantages to be obtained by incorporating a business apart from the tax problem.

The principal benefit to be obtained from incorporating a business is due to the fact that individual rates of tax rise very sharply as your income increases and if an individual makes $5,000 in one year and $10,000 the next he will pay considerably more than if he were earning $7,500 per annum. At the present time under the Excess Profits Tax Act every company is allowed a minimum profit of $5,000 and if a company earns in excess of the amount of his standard profit most of the balance goes to the government. Consequently, this benefit is not as valuable as it used to be.

Different Rates for Companies

In Canada companies are taxed at a different rate to individuals, so that if you incorporate your business and own shares of the company which operates the same, all profits, made by the company after deduction of your salary, bear a tax of 40%, and when you distribute these profits any shareholder who receives the same has to pay a personal tax. In other words, by incorporating you increase the tax on your standard profits 40%. If at the present time your profits do not exceed the amount allowed for standard profits a company which earns more than $5,000 per annum pays 22% income tax and 18% excess profits tax, while an individual pays 15% excess profits tax and the appropriate income tax.

A taxpayer employed by a company may obtain some advantage on the salary question because he will usually be permitted to enjoy salary at the same rate as he obtained prior to the 7th of November, 1941, while an individual who superintends a company is limited to a salary of $5,000 per annum. Many privately controlled companies are entitled to pay the manager who controls the stock considerably more than $5,000 per annum.

These Should Not be Incorporated

There are certain types of businesses which should not be incorporated. Perhaps the most important of these are investment companies, particularly those which trade in land. It has been decided over and over again that if a charter of a company permits it to buy and sell land it is far more likely to be taxed on capital profits than an individual who is doing precisely the same thing and who claims that he is not carrying on business but merely making investments.

It is useless to argue that there should not be one law for a company and another for an individual and that it is unjust to tax a company which buys an apartment house as an investment and subsequently sells it at a profit, while an individual who does exactly the same thing will not be taxed on the profit made by the sale. Yet the courts in every part of the Empire have decided that there is this difference and the company will be taxed and the individual go free.

This principle is not restricted to land, but applies to almost every investment company, but if your company does not deal in land but merely buys and sells securities it will not be taxed on the profits made by buying and selling investments if 51% of the capital is invested in interest or dividend paying securities. This statement does not appear to be in accordance with a number of legal decisions and it is quite possible that a very slight difference in the manner of operation might have an important bearing on the amount of your tax.

Hold Real Estate Yourself!

Before commencing business you would be wise to consider this situation very seriously, because if you buy a building worth $50,000 and are lucky enough to sell it for $100,000 you would at the present time be almost certain to pay most of the profit to the government if you transferred this building to a company, while, if you held it yourself you would almost certainly be free of tax on the profit made on the sale unless it could be shown that by reason of other transactions you were in the real estate business, in which case you would, of course, have to pay.

No one should incorporate a company to hold a patent or copyright, for two reasons. First: because under the Excess Profits Tax Act a company pays on its total income while under the same Act an individual only pays on the income derived from the carrying on of one or more businesses and any income which you receive from the patent or copyright is investment income* and not subject to tax under the Excess Profits Tax Act, although it is subject to tax under the Income War Tax Act. The second reason is that under the Excess Profits Tax Act the amount of your standard profits is frequently based upon the amount of capital employed and an untried patent is usually considered of little value and, notwithstanding the English decision†, it is not likely that you will be allowed to turn over the patent to the company at any excessive amount. On the other hand, if you hold the patent yourself and incorporate a company to manufacture and sell the patented article, royalties may be deducted from the profits of the company and will increase as the patented article becomes popular.

More Difficulties

Once you have transferred assets to a company it is extremely difficult to get them out without paying a tax upon the amount distributed and consequently if you have buildings or machinery which you use in your business it is necessary to consider the question of depreciation. You may deduct the amount allowed for depreciation from the profits of your company, but the problem is how can you distribute this allowance without the recipients being compelled to pay personal tax, because the Canadian courts have, on two occasions, stated that the only way this can be done is by reduction of capital or some similar proceeding.

If you reduce your capital it at once becomes subject to Section 19 (1) (b) which provides that anything paid to your shareholders shall be deemed to be a dividend to the extent that the company has undistributed income on hand. This means that if your company has $20,000 undistributed income on hand and in addition has a depreciation reserve of $20,000 your shareholders must first pay tax on the undistributed income before they can reduce the capital and get out the depreciation free. If you purchase buildings and machinery out of your own money and then rent them to the company, you may deduct from the rent the amount allowed for depreciation, and consequently would receive an annual sum which would be free from tax.

Many other similar situations arise which are too numerous to mention in a short article, but generally speaking every taxpayer would be extremely wise to consider the tax question carefully before he turns over any business which he owns or contemplates owning to a new company, because in most cases he will have to pay more tax than if he kept it in his own hands.

*Commissioner of Internal Revenue v. Marine Steam Turbine Co. Ltd. (1920) I.K.B. 193;
†Osborne v. Steel Barrell Co. Ltd. (1942) 1 All E.R. 634.

Coast Labor Jittery Over Feared Lay-offs

Report Drop in Shipyard Payroll, But Other Contracts Take Up Slack; Where Copper and Strategics Are Cut, Golds Happy to Hire Men

From Our Own Correspondent

VANCOUVER.—Changes in Canada's shipbuilding program and the transition from a wartime to peacetime basis being felt in certain industries have created anxiety in west coast labor circles regarding threat of large-scale unemployment during the coming year.

So far, these fears have not been justified. There is virtually no unemployment in British Columbia today. While there have been some layoffs in the shipyards, there is evidence additional contracts for a different type of craft will replace those for cargo ships and escort vessels which have kept the plants busy since wartime shipbuilding got under way.

Apparently wartime employment in B. C. has passed its peak. There is less demand for labor in the shipyards, which have been employing about 28,000 men and women. Several engineering plants, building components for ships, have reduced their working staffs. Incentive to timber production has been curtailed somewhat by withdrawal of the depletion allowance on taxes—this means that the logging industry no longer requires the 4,000 additional men it sought last year.

Will Relieve Golds

Copper mining may possibly be cut down during the coming year as a result of expiration of contracts with Metals Reserve Corp. Mercury and tungsten operations, which were expected to absorb considerable labor this year, have been reduced. Gold mines, however, will be glad to hire several hundred men and there is indication they will be accommodated. Of the 25 gold mines operating in B. C. two years ago, though, only eight are now in steady production, so the market for labor there is limited.

Manpower shortage in the Vancouver area has decreased by 9,000 during the past five months. This confirms the impression that the industrial boom is well past its peak, with trend of employment continuing downward. In Vancouver there are still jobs for everyone. A recent NSS tabulation showed that industry needs 4,257 more workers than are immediately available, but this figure compares with orders for 13,000 workers last summer.

It is expected that during the present month Vancouver shipyards and subsidiary industries will lose about 1,000 men, perhaps more. Burrard Dry Dock's south shore yard now employs 3,000 workers compared with 4,100 last summer, and 500 men will be leaving the North Van Ship Repairs between now and Jan. 25. Leek & Co., engaged in auxiliary ship work, recently laid off 130 men. Although shipyard personnel in B. C. has dropped by 4,400 men since last July, there has been no major layoff.

Some shipyard operators hope soon to get contracts to build big ocean-going barges for the British Government. It is understood Yarrows, Ltd., at Esquimalt, has already received such an order. This will pick up some of the employment slack, especially since Yarrows has been instructed to curtail its production of frigates.

Boeing Postwar Troubles

Boeing Aircraft of Canada continues to be one of the largest employers and its production is being well maintained. This industry, however, is likely to be affected directly by the changing strategy of war. The company will face the problem of drastic conversion after the war.

Other industries, notably plywood and other wood-using enterprises, give promise of large-scale employment after the war to meet the demands of the civilian market for building materials, but these industries are already employing large numbers, and it is doubtful whether they will need many more workers when the changeover comes. They may even, for a while, need less.

Coast Problem Serious

So much industrial activity having been geared to shipbuilding, in a sense an exotic outgrowth of the war, the postwar employment problem is more serious on the west coast than it would otherwise be. Secondary industries have made some progress during the war and will probably continue to advance, but they have not yet reached the point where they will be able to swing over easily to civilian market requirements in the face of outside competition.

These arguments serve to support establishment of a steel industry which, even on a small scale, would give impetus to many forms of manufacturing that are now handicapped.

* * *

Winnipeg Holds Own

From Our Own Correspondent

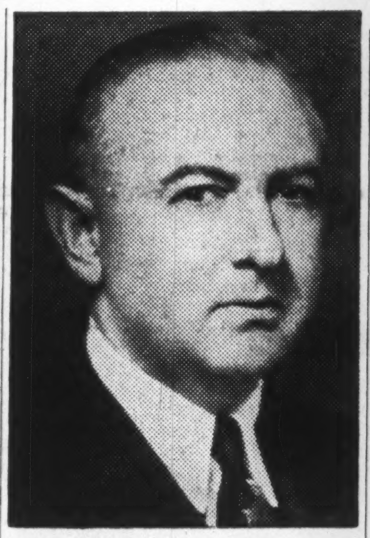
WINNIPEG.—A production let-up that caused numerous lay-offs in Winnipeg district war plants at this time last year has not reappeared. For the time being, at least, production in the few sizeable war plants is being well maintained and employment is steady.

Only layoffs so far have been seasonal ones following holidays in department stores and packing plants and affecting part-time workers. These, according to F. J. White, regional Unemployment Insurance Commission superintendent, "have not been of any consequence."

At this time last year working hours at the Transcona Cordite plant were cut down to spread employment; but now there is sufficient work ahead to keep the plant operating fully until April at the earliest. Closing of the Nobel plant may deflect further orders here to keep the production level up.

New Brunswick Potatoes Bought By Uruguay

About 40,000 crates of New Brunswick certified seed potatoes, valued at more than $160,000, were shipped to Uruguay recently, according to G. C. Cunningham, marketing specialist of the New Brunswick Department of Agriculture. As a result of increased home requirements and lack of shipping, no other potato shipment will be made to South America this year. Normally, the province exports large quantities of seed potatoes to the South American market.



NEW PRESIDENT

S. J. Biffin, formerly general manager of Industrial Factors Corp., has been appointed president.

Rental Order Hits 'Relatives'

Landlord of a "multiple family dwelling" may not evict a tenant during good behaviour to make way for a relative; but if he can prove he needs the dwelling for his own family he can take over. A new rentals order effective last week thus changes WPTB eviction controls under authority of Rentals Administrator Owen Lobley at Montreal. Multiple family dwellings are defined as apartments, self-contained flats, duplexes and triplexes; not affected by the order are boarding houses or detached and semi-detached dwellings, including cottages.

Owners may still serve the customary six months' eviction notice on tenants if the purpose is to subdivide for additional living units under the National Housing Administration's housing conversion plan.

The new order voids notices to vacate presented to such tenants since Oct. 1, 1943, by landlords wanting the accommodation for selves or relatives, but there is a proviso that a landlord not living in the dwelling can still evict to gain the accommodation for himself simply by serving further notice before the end of January. The "relatives" are thus wiped off the slate.

Remaining effective, however, are all six month notices given by landlords to tenants of detached or semi-detached houses or cottages for the purpose of personal occupancy by the landlord or his relatives.

Nominally applicable throughout Canada, the order will affect chiefly the Montreal situation, real estate men tell The Financial Post. They do not expect the measure to be very much felt elsewhere, but are inclined to grant that a purely local order would have opened the Board to charges of discrimination unfounded in the circumstances.

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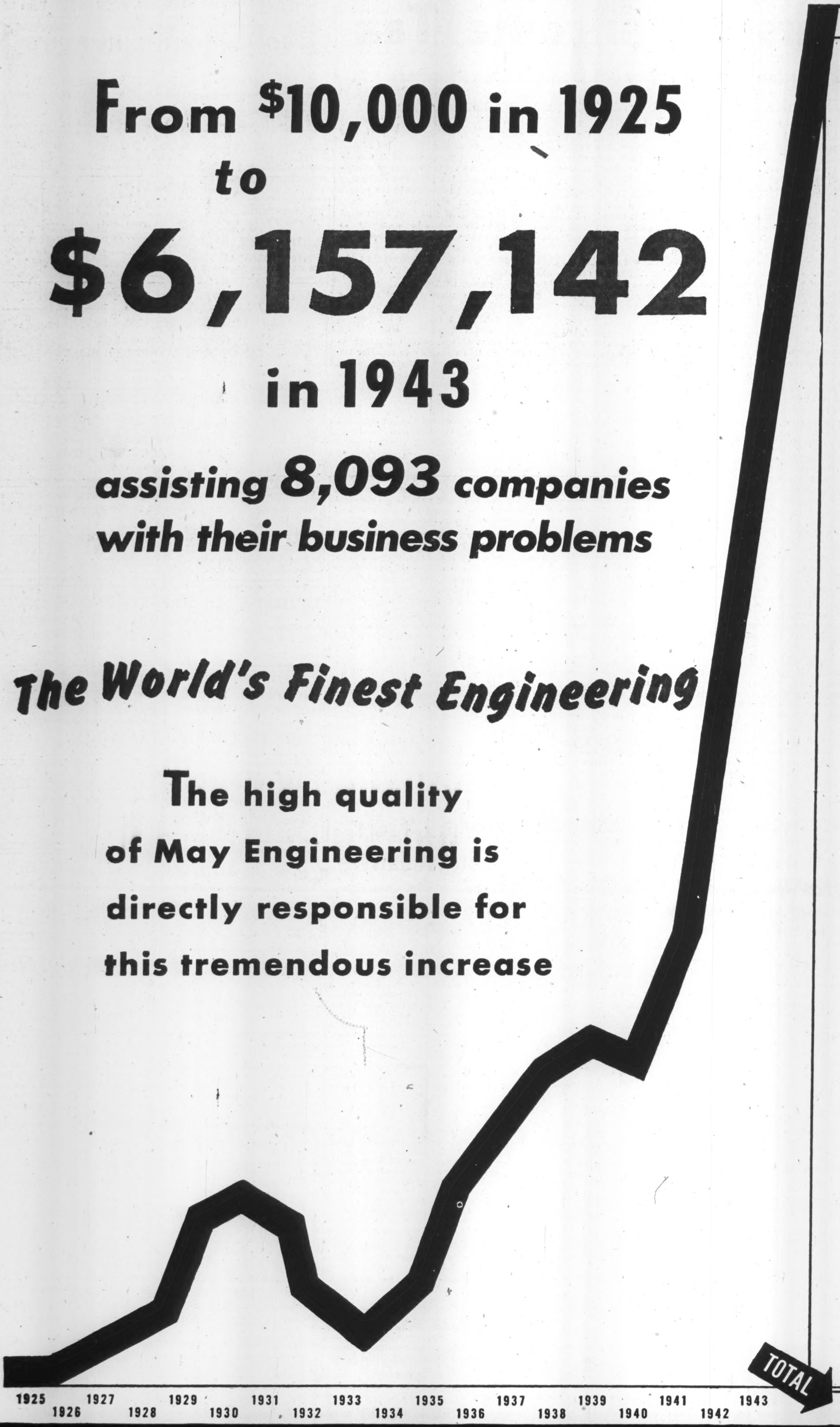

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1,266,372	818	1940
1,972,377	674	1939
1,369,344	486	1938
1,173,700	287	1937
987,377	321	1936
681,869	238	1935
292,302	121	1934
155,955	76	1933
259,503	93	1932
644,946	215	1931
717,480	214	1930
608,763	201	1929
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